

EUROPEAN NEWS

German Airbus partners may sub-contract abroad

BY ADRIAN DICKS IN BONN

THE WEST German partners in the European Airbus consortium have been forced by the fall of the dollar to consider subcontracting to other countries some of their own share of the manufacturing.

concern in wanting the aircraft produced economically. It is not clear exactly which parts of the project might be subcontracted out by Deutsche Airbus—the holding company through which MBB and VFW-Fokker participate in Airbus Industrie.

Publishers fined for price fixing

BY LESLIE COLITT IN BERLIN

THE West German Cartel Office has fined three of the country's leading magazine publishers and their top executives a total of DM 28.6m (£7.17m) for "forbidden price fixing and rebate agreements."

publishes the largest-circulation television guide, Hbr Zt, as well as Funkuhr, which share 45 per cent of the market, has been fined DM 13,018,774. If upheld by the appeal court, the fine would be the single largest ever paid by a West German company accused of price-fixing.

USSR may allow on-site monitoring of N-blasts

BY BRU KHINDARIA IN GENEVA

THE SOVIET UNION is willing to allow a degree of on-site inspection to monitor nuclear blasts providing that procedures are voluntary and remain under strict national control.

Thaw routs NATO forces

BY GILES MERRITT IN BRUSSELS

JUST AS "General Winter" routed Napoleon's Grand Army on the retreat from Moscow, and accounted for Hitler's Panzer divisions around Stalingrad, a general thaw has now decisively defeated 66,000 NATO troops.



General Alexander Haig

German farmland made the cost of carrying on prohibitive, because compensation would have run into millions of Deutsche Marks.

Neutral budget for Ireland

By Stewart Dalby in Dublin

MR. GEORGE COLLEY, Ireland's Finance Minister, introduced a mild, neutral Budget yesterday, which was much as expected.

Anglo-Norwegian exploration talks

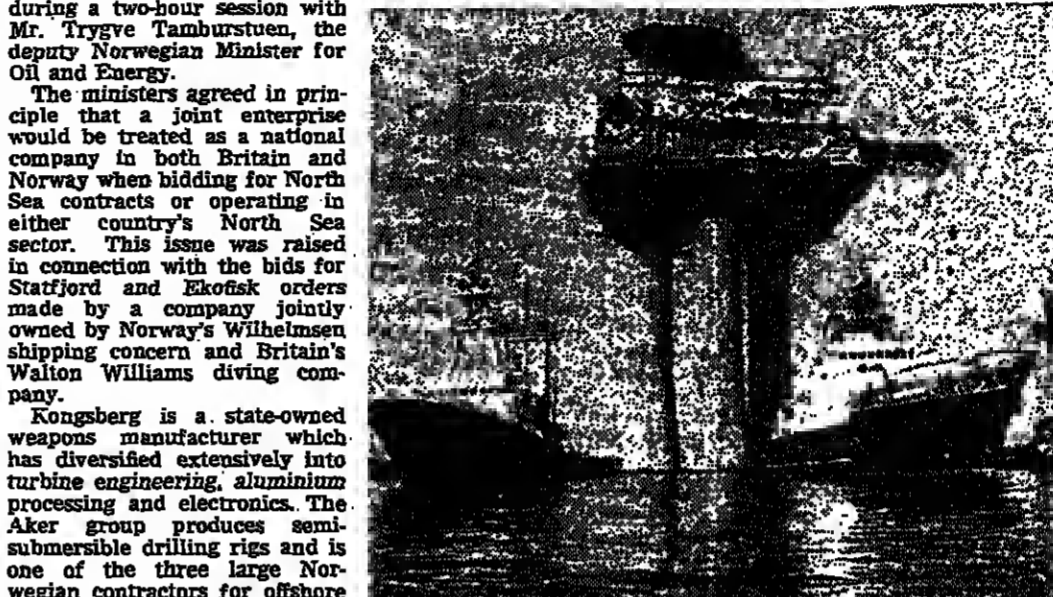
BY WILLIAM DULLFORCE, NORDIC EDITOR, IN OSLO

DR. DICKSON MABON, the UK Minister of State for Energy, yesterday tabled Britain's interest in buying the 70bn cubic metres of gas in the Statfjord field and obtained agreement that senior British and Norwegian officials would resume exploratory talks on joint North Sea gas exploitation next month.

Britain bids for Statfjord gas

BY WILLIAM DULLFORCE, NORDIC EDITOR, IN OSLO

study company last July. Dr. Mabon said several reserves of gas were expected to become available during the first half of the 1980s and the GGP company report on the need for a new pipeline had been "more finely balanced" than reported.



Tugs haul the Beryl A production platform from a fiord in Stavanger.

British option, the Norwegians are more cautious. The West Germans, Dutch and French are interested in buying the gas and Continental prices are higher than those previously offered by the British Gas Corporation.

involved in any gas project. Mobil's position means that a buyer for the gas would have to be found and a decision on the transport system taken before the end of this year.

This change of plan is opposed by the majority of the licensees but Dr. Mabon still has an outside chance of achieving his aim. BNOG and the other two British licensees, Conoco and Gulf, will it is understood continue to study the construction of a "C" platform on the British side.

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Madrid pact breaches pay policy

BY ROBERT GRAHAM IN MADRID

UNION LEADERS representing some 180,000 engineering workers in the Madrid region yesterday signed a wage and work conditions agreement that made a significant breach in Government pay policy.

Argentina leader snubs Rumor

BY ROBERT LINDLEY IN BUENOS AIRES

SIG. MARIANO RUMOR, the former Italian Prime Minister, who is president of the Christian Democratic World Union, left here early yesterday without having his scheduled audience with President Jorge Rafael Videla.

Soviet writers pose a problem for the Moscow censor

BY DAVID SATTER IN MOSCOW

IN AN UNPRECEDENTED challenge to Soviet literary censorship, 23 writers, including some of the best-known authors in the country, have submitted an anthology of their works to the official Soviet Writers' Union with the demand that it be published exactly as written.

Pinto Cabinet questioned on wages policy

BY JIMMY BURNS IN LISBON

NEGOTIATIONS between Portugal and the International Monetary Fund were resumed in Lisbon yesterday amid signs that Portugal's own party Government had successfully weathered much of the storm over its more immediate economic plans.

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final decision about the location of the "B" platform should be delayed until the soil conditions in the northern part of the reservoir have been studied.

This timetable would not delay construction work on the "B" platform but would leave open for a final decision later this year the possibility of relocating the "B" platform to the northern part of the reservoir to allow the "C" platform to be placed in the British sector.

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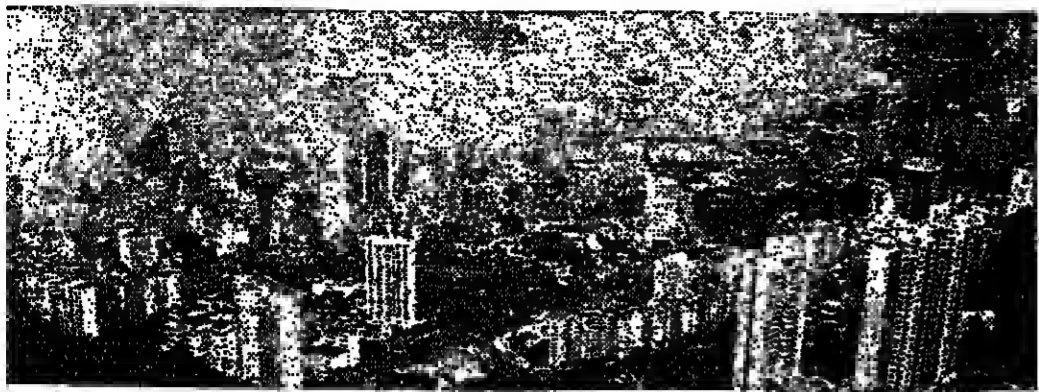
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Financial Times published daily except Sundays and holidays. U.S. subscription rate \$288.00 per annum. Second class postage paid at New York, N.Y. and at additional mailing offices.

OVERSEAS NEWS



Cold bath for Hong Kong

HONG KONG'S severely overheated economy will soon fall, or be pushed, into a bath of cold water. It promises to be a painful experience and will cause some fatalities. The Government has just published money supply figures for December—the last before the budget which is due in the last week of February. They showed continuing excessive growth in both supply and demand for money: M1 rose 6.3 per cent over the previous month, M2 by 2.7 per cent and loans and advances by 3.8 per cent. On the same day the inter-bank overnight money rate reached 17 per cent. The money supply figures are five weeks out of date and since the end of December there may have been a sharp slowdown in money growth. But the picture, although blurred, that emerges from the various statistics is of a banking sector overcommitted to new lending, particularly in the property and construction sectors, and scrambling for funds. Probably sooner than later this lending spree will have to come to a sudden halt, with painful consequences for the financial sector and the property market, but also for the level of output and employment in Hong Kong. Mr. Philip Haddon-Cave, the Financial Secretary, said as long ago as September that the boom was overheated and that the longer the delay in restraining it, the more painful the eventual readjustment would be. Five months further on, restraint is still in the future. There is little room now for Hong Kong to manoeuvre gently to a slower but steady growth path. The colony's visible trade deficit in December was a record HK\$1,290m (£135m), the second successive billion dollar monthly deficit. It brought the total for the year to 9.13bn. It was well in excess of the Government's September forecast for the last quarter of the year, which itself was regarded with concern. The Hong Kong dollar has remained fairly steady over the past two months despite the deficit. But this is probably largely due to an inflow of financial capital resulting from the lending commitments of many banks with inadequate Hong Kong dollar deposit bases. While this inflow helps exchange rate stability, it is tending to add to the credit excesses. Although the balance of payments seems to be in serious disequilibrium, the Government has been concerned not to see a further decline of the currency against a trade-weighted currency index. It has responded by 5 per cent since the October 31 low reached when the U.S. dollar was in the dumps. But it is still near 10 per cent below its level of a year ago. The decline has pushed up the inflation rate. In December, consumer prices were 8.7 per cent above a year earlier and the rate of increase has been gathering speed. It is only a matter of time before it rises above 10 per cent. The Government now seems to consider that a lower exchange rate would make inflation worse without having sufficient impact on external trade. It is argued that Hong Kong's export industries are still competitive but that excessive domestic credit has fuelled a consumer boom which has inflated the import bill and a building boom which has drawn workers away from the export manufacturing sector. During 1978, total bank advances jumped. In December, advances were up 43 per cent on a year earlier and those for building and construction by 70 per cent. New building approvals, which indicate future construction spending, have been growing even more rapidly. Meanwhile, the Government itself has been boosting demand. Its own capital spending programme, excluding the underground railway, was budgeted to be 50 per cent higher in the current financial year (ending March) than the previous one. But what can be done about the boom? In October, in an effort to cut money supply and force banks to increase interest rates, the Government moved to cancel some of its own Hong Kong dollar assets through an asset swap with a Hong Kong bank in such a way as to remove them from the system without directly expatriating them—which would have exerted further downward pressure on the currency. But the resulting sharp interest rises quickly put the stock market into a tailspin and led indirectly to a run on Sun Hung Kai Finance, one of Hong Kong's leading finance companies. The run was eventually stanchoned. The authorities endeavoured to assert that it was a freak event resulting from malicious rumour. But it was becoming increasingly apparent to some observers that confidence was brittle. Since November, the stock market has recovered partially and the property market looked fairly steady. The Government itself is now trying to cool things by slowing its own spending. It is delaying the start up of some public works projects. The budget is likely to put a tight lid on public expenditure, especially capital spending. However, big spending cuts may not be easy to make. The public sector spending boom seems to have been forced on a reluctant Mr. Haddon-Cave by a combination of local pressure to meet housing goals, and pressure from Whitehall for more spending all round. By the time any budget cuts begin to bite, the private sector boom may have collapsed under its own weight. So having exacerbated the boom the Government will have to be careful not to exacerbate its sequel. Property development spending and new commitments are at such a high level that the only way in which the boom can be sustained is for the rate of increase in lending to be sustained. That clearly is impossible unless Hong Kong is to get into a cycle of perpetual inflation and devaluation, which would be politically unacceptable to both the local population and to China. Some economists view the current position of the property sector as potentially far more destabilising than the dramatic boom and bust of the stock market in 1973, which was a fairly limited event. By the standards of other countries, property development is still quite cautiously financed in Hong Kong. Most developments are pre-sold and the equity element in financing is high. But lately there has been a lot of speculative investment in new developments. Pre-selling provides no guarantee that the buyer will be able to produce the necessary progress payments, or mortgage on completion. Many new projects have been initiated on the basis of deposits which may turn out to be little more than speculative option money. Money recently has become much tighter. Even Hong Kong Land now finds itself having to borrow on the basis of a margin over the higher of prime or interbank rate. If that is the case with the mightiest landlord of them all, lesser fry may soon be sweating. Even if effective demand exists for all the property being developed (and that is far from clear) some bankers doubt that the financial sector has the capacity to meet the funding requirements of existing commitments. If the financiers themselves are over-extended, the Government is likely to meet a lot of pressure to opt for a gradual but inflationary path out of the current difficulty. Some shake-out is inevitable. It will have some hard thinking to do on trade-offs—most critically between the need to reduce money growth and inflation without setting off a crisis in the financial sector, and the need to maintain a stable currency without triggering a property sector collapse and a sharp, if short-lived, rise in unemployment.

As the prospect looms of an end to Hong Kong's spending spree, there is concern about who will get hurt in the ensuing economic slowdown. Philip Bowring writes that the property sector is a leading candidate.

NOTICE OF REDEMPTION To the Holders of AUSTRALIAN RESOURCES DEVELOPMENT BANK LIMITED

9 1/2% Deposit Notes Due 1983

NOTICE IS HEREBY GIVEN that pursuant to the provisions of the Notes of the above-described issue, Morgan Guaranty Trust Company of New York, as Fiscal Agent, has selected for redemption on March 1, 1979...

Outstanding Notes of \$1,000 each bearing numbers ending in any of the following two digits:

Also outstanding Notes bearing the following numbers:

Table with columns of numbers representing outstanding notes for redemption.

On March 1, 1979, the Notes designated above will become due and payable in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts. Said Notes will be paid, upon presentation and surrender thereof, with all coupons appertaining thereto maturing after the redemption date...

AUSTRALIAN RESOURCES DEVELOPMENT BANK LIMITED

January 25, 1979

NOTICE

The following Notes previously called for redemption have not as yet been presented for payment:

Table with columns of numbers representing notes not yet presented for payment.

Unrest may boost Arab democracy

By Hsan Hijazi in Beirut THE TURMOIL in Iran may improve democratic prospects in neighbouring countries. Saudi Arabia, Kuwait and Iraq are reported to be contemplating injecting a measure of representation into their regimes. Saudi Arabia's Shoura or Consultative Council is to be expanded and formalised, according to informed Arab diplomats. The Council is formed of 'elders', including religious leaders, as well as senior members of the royal family, who act as occasional advisers to King Khalid. At present, the advice is sought when needed and the council does not meet in regular sessions. A week ago, the Saudi Press, which is known to follow the Government line strictly, called on the King and Crown Prince Fahd to expand the Consultative Council and give it more power. It was an unusual demand by the state-supervised Press and appeared to express official encouragement from the Crown Prince. Plans to establish a working Consultative Council to act as a legislature for the oil-rich kingdom was originally conceived under the late King Faisal as early as 1962. But he seemed progressively more reluctant to contemplate any representations before his assassination in 1975. In Kuwait, meanwhile, officials have confirmed that the Crown Prince and Prime Minister Sheikh Saad al-Abdullah has been holding contacts and consultations with the country's political leaders with a view to reviving Parliamentary life. The Kuwaiti National Assembly and a considerable section of the constitution were suspended in August, 1976 by the late Emir Sheikh Sabah al-Salem al-Sabah, who died about a year ago and was succeeded by Emir Jaber al-Ahmed.

New pro-Khomeini rallies in Tehran

BY SIMON HENDERSON IN TEHRAN

FORMAL GOVERNMENT in Iran appears near breakdown as supporters of Ayatollah Khomeini, the opposition religious leader, continued their efforts to establish an Islamic government. Groups of Khomeini supporters yesterday marched through Tehran under the supervision of their own stewards while others employed in the office of Dr. Shahnour Bakhtiar, the Prime Minister, disrupted work by a sit-in. An under-secretary in the Prime Minister's department has publicly accepted the authority of Ayatollah Khomeini. Today large marches have been called for by the Ayatollah in favour of an Islamic state and of Dr. Mehdi Bazargan who has been named the Prime Minister of a provisional government. The marches are unlikely to overthrow the Government directly as people close to Dr. Bazargan say he is going slow on the formation of a cabinet in order to avoid confrontation with the army. It is now understood that direct contact has again been resumed between Dr. Bazargan and senior generals after a lapse of a few days last week because of the euphoria surrounding the return from exile of the Ayatollah. Dr. Bazargan apparently hopes to establish an Islamic government by the device of holding a referendum within two weeks. The referendum will simply ask whether people want a republic or a monarchy. Since the poll will be conducted through the organisation of the local clergy and mosques, the result is a foregone conclusion. Such a device could well defuse the hard line opposition from some pro-Shah elements in the army. But before the referendum takes place there is always a danger of radical action. Yesterday in Tehran about 2,500 people gathered in a sports hall to support Dr. Bakhtiar and the present constitution. The organisers promised a mass open-air meeting soon. However, the true strength of the grouping is unknown and yesterday's meeting needed the security provided by truckloads of soldiers and police. In another effort to ease tensions Dr. Bakhtiar has again reduced the curfew by one hour.

Dr. Boutros Ghali, Egypt's acting Foreign Minister, said yesterday that the situation in Iran had given a new impetus to signing the treaty and that it strengthened Egypt's bargaining position. David Leman adds from Tel Aviv: Israel will not withdraw from the Alma oilfield which it discovered and operates in the Gulf of Suez unless Egypt guarantees to supply oil from the field to Israel. Mr. Yitzhak Modai, the Minister of Energy, told the FT.

The agreement between Egypt and Israel on oil supplies will have to be attached to the peace treaty, probably in the form of a letter, the Minister said. Ihsan Hijazi adds from Beirut: Renewed clashes here between Syrian troops of the Arab League peace-keeping force and Christian militias have brought traffic between Moslem and Christian suburbs in a standstill. One person was killed and three others wounded in the violence during the past 24 hours.

PAKISTAN'S military Government indicated yesterday that there would be no public response to the stream of pleas for clemency made by world leaders on behalf of Mr. Zulfikar Ali Bhutto, the condemned former Prime Minister. Officials refused to say how many appeals had been received, but claimed that neither the number nor the swiftness of the appeals amounted to anything extraordinary. Internally, minor incidents have been reported from various parts of the country. But the widespread display of force by police and army units and last weekend's pre-emptive arrests of supporters of Mr. Bhutto appear to have curbed reaction. Mr. Bhutto, whose death sentence was confirmed on Tuesday by a 4-2 decision of Pakistan's seven Supreme Court judges, received official notification of the verdict yesterday afternoon. He has seven days in which to lodge a mercy petition with General Zia-ul-Haq, Pakistan's military ruler. Mr. Bhutto has said consistently that he will not plead for mercy but family sources have not ruled out the possibility of an appeal.

Mideast talks 'within 3 weeks'

BY ROGER MATTHEWS IN CAIRO

EGYPT EXPECTS to resume peace talks with Israel during the coming three weeks but is not optimistic about the chances of a breakthrough. President Sadat is waiting to hear from Washington about the proposed date for a resumption of the talks, which are likely to be held at ministerial level. Israel has already indicated that it is ready to restart negotiations which have been stalled since the two sides failed to meet the December 17 target date for signing a peace treaty.

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Bhutto appeals played down by Pakistan

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Confusion on troops for Zaire

BY GILES MERRITT IN BRUSSELS

REPORTS arriving here from Zaire yesterday added to the confusion surrounding the Belgian Government's decision to send 250 paratroopers to the Kinsasha area. According to the reports, General Mobutu, the Zairean President, has stated that the situation in the area remains calm. In an interview apparently intended for distribution only outside the country, he has attributed rumours of unrest in Zaire to hostile elements. The Belgian Government insists that its decision to mount a military operation comparable to the one which followed the Kolwezi massacre in Shaba province last May was taken within the framework of its training pact with Zaire, and thus required no invitation from the Mobutu Government. Shortages of food, fuel and medical supplies in Zaire have been reported here, but there have been no firm indications of a serious threat to the white majority, population of 30,000. Reaction to the Belgian Government's decision, therefore, has tended to be negative, with some newspapers suggesting that the operation constitutes 'unadulterated colonialism aimed at defending Belgian copper and cobalt interests in Shaba.'

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PHILIPS ENTER THE PHILIPS VIDEO AGE COMPETITION. WIN A HOUSE TO THE VALUE OF £60,000. WIN A LOTUS ECLAT. WIN ONE OF 6 TRIPS FOR 2, BY CONCORDE TO THE U.S.A. WIN ONE OF 30 OMEGA CHRONO-QUARTZ WATCHES. Includes images of a house, a Lotus Eclat car, a Concorde jet, and an Omega watch.

AMERICAN NEWS

Republicans hedge their bets on budget amendment

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

THE political battlelines now being drawn over the proposed constitutional amendment...

At a special conference held in Maryland over the weekend, the Republican Congressional leadership eschewed the tempting course of backing a constitutional convention...

This is the tactic being recommended by Mr. Jerry Brown, the Democratic Governor of California...

Instead, the Republicans adopted a much milder resolution, blaming, inevitably, the Democrats for causing mounting deficits...

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Mysterious U.S. bank buyer puzzles Israelis

BY DAVID LENNON, IN JERUSALEM

ISRAELI PLANS to amend its banking laws to force the mysterious purchaser of \$8 per cent of the stock in the country's fourth largest bank to reveal whom—if any one—he represents.

One third of the stock in the First International Bank of Israel (FIBI) was sold recently by the First Pennsylvania Corporation of the U.S. to a Mr. John D. Marsh of Gainesville, Virginia.

The news of the sale caused consternation in Israel, as Mr. Marsh is unknown in financial or political circles here.

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Mr. Marsh, even though the transaction was completed before the new law has been finally approved by Parliament.

In this way, Mr. Marsh would be forced to disclose his interests.

Mr. Oded Messer, banking controller at the Bank of Israel, said that he was "excited though not worried" by the news of the purchase.

Brazil looks to the southern hemisphere

BY DIANA SMITH IN RIO DE JANEIRO

BRAZIL has historically looked to the north for its trade and political allies, first to the Portuguese, whose explorers, monarchs and emigrants built the bones of the Brazilian state, and then, in the 19th century, to France and Britain.

From the 1930s, Brazil turned to the U.S., receiving heavy doses of Coca-Cola, Protestant evangelism, multinational companies, investment and American-style advertising.

Potential partners in the southern hemisphere were neglected, despite Brazil's marked affinity with West Africa—in climate, flora, geology and race—and the comparatively short distance which separates the continents.

The large visible U.S. presence, and a tendency by Washington or U.S. businessmen to talk down to local officials or individuals, caused overt or covert resentment.

Several states have in recent years passed into law variations on this and some Republicans and Democrats are now advancing it as a moderate alternative to the more extreme constitutional convention cause.

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Figueredo, which takes over on March 15, will strengthen these new priorities.

There are two reasons why Brazil can now strengthen its relations with Africa, according to foreign affairs experts.

Capital equipment bought from Europe, on favourable terms, or technology blueprints absorbed from European sources—far less reluctant to let Brazil in on advanced techniques than their U.S. counterparts—convince Brazil that the days are never when it had to settle for sometimes obsolete foreign production techniques.

While European negotiators and businessmen seek viable, amiable common ground with Brazil, and the Japanese methodically master every detail of Brazilian attitudes, U.S. efforts to start anew are hampered by sporadic lapses, such as remarks that U.S. businessmen are worried by the "preferential treatment meted out by Brazilian authorities to Brazilian businesses."

The consensus that the U.S. can now be dealt with, rather than succumbed to, was reached in the second half of the five-year Administration of President Ernesto Geisel...

The Deutsche Marks, Yen, Francs or Pounds, equivalent to \$8bn, now invested in Brazil, have led to a relative decrease in the weight of U.S. investment.

However, it is also clear that President Carter's fundamental objections to the idea of a convention...

Washington Post buys business magazine

By John Wyles in New York

THE Washington Post is to make its first incursion into business magazine journalism through the acquisition of Vision, the Paris-based monthly which is published in four languages.

A preliminary agreement on the purchase has been reached between the publishers of Vision and Newsweek Inc., the Washington Post subsidiary which publishes Newsweek magazine.

Newsweek said yesterday that the purchase price would not yet be disclosed.

The acquisition could well make Newsweek an important new ingredient in European business journalism.

With the extension of territorial waters to 200 miles (roundly criticised by the U.S., whose fleets once fished freely in the South Atlantic) Brazil hopes to reach agreements with Nigeria on fishing.

With Angola, Brazil has established what it now describes as "very good" relations, although trade itself has been slow.

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Flood deaths reach 600

BY DIANA SMITH IN RIO DE JANEIRO

Floods have claimed more than 600 lives in the states of Minas Gerais, Espírito Santo and Rio de Janeiro.

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Trudeau gains popularity

By John Wyles in Toronto

Trudeau's ruling Liberal Party, facing general elections this year, has climbed to within one percentage point in popularity behind the Opposition Progressive Conservatives.

Last November the Liberals were 10 points behind and looked to be heading for electoral defeat for the first time in more than 15 years.

The new survey, published by the Toronto Star newspaper, said that the Conservatives were backed by 40 per cent of voters, and the Liberals by 39 per cent.

The National Bank of Kuwait S.A.K.

Balance Sheet at 31st December 1978

LIABILITIES ASSETS PROFIT AND LOSS ACCOUNT. Table with columns for 1977 and 1978 in Kuwaiti Dinars, showing Capital, Cash and Current Accounts, and Profit after charging all expenses.



1 KD = U.S. \$ 3.68 as at 31st December 1978 Total Assets exceed U.S. \$ 3.8 Billion. YACUB YOUSUF AL HAMAD Chairman. MOHAMED ABDUL MOHSIN AL KHARAFI Deputy Chairman. C.D. FEARS C.B.E. Chief General Manager. In a changing world something you know & trust The National Bank of Kuwait S.A.K.

WORLD TRADE NEWS

GATT NEGOTIATIONS

Strauss urges Congress to waive countervailing duty

BY DAVID BUCHAN IN WASHINGTON

THE CARTER Administration yesterday opened its campaign to get Congress to allow subsidised imports into the U.S. without penal duties, until the Multilateral Trade Negotiations in Geneva are completed. Mr. Strauss, the U.S. trade negotiator, reminded the House of Representatives Ways and Means Committee that "the stakes are high," and that Washington's key negotiating partners, notably the European Community countries, had flatly refused to put their seal on a Geneva agreement, unless Congress extended the Administration's power to waive the imposition of countervailing duties on subsidised imports. He carefully stressed that the waiver must be granted in support of the Ways and Means chairman, Mr. Al Ullman—was vital, but procedural. Extending the waiver authority, which ran out on January 2 after four years, would not in any way condone foreign subsidy practices. Indeed, "the express intent" of the waiver extension was to get a world trade pact with an agreement on subsidies and countervailing duties which would benefit the U.S. The lapse of the waiver some six weeks ago has had little practical effect. The U.S.

Treasury has, as required by law, had to take some action, but has not actually collected any countervailing duties from importers. However, some \$500m of European farm exports, subsidised under the common agri-

officials, plus the coincidental visit here by deputies from the Japanese Parliament (Diet), appears to mark the seriousness with which the Government of Mr. Ohira is taking its bilateral trade problems with the U.S. Earlier this week Mr. Takeshi Yasukawa, who is Mr. Ohira's man now in charge of Japan's external economic policy, and a senior representative from the Tokyo International Trade and Industry Ministry, arrived here.

Officials in Washington say they do not want to put too much pressure on Prime Minister Ohira only two months after taking office. Mr. Ohira, they say, probably needs a bit more leeway to change the policies he inherited from the previous Government.

The moves the U.S. would like him to make to redress the huge deficit the U.S. runs with Japan—such as letting in more U.S. imports—would not have an immediate effect. At the same time, Japanese assurances of a lower current account surplus this year with the U.S. and the rest of the world are misleading, they say. The official Japanese forecast is for a \$7.5bn current account surplus in this fiscal year, while the U.S. reckons it will be of the order of \$10-13bn.

New Saudi telephone deals expected

BY JAMES BUCHAN IN JEDDAH

SAUDI ARABIA is likely to extend its major telephone expansion project by as much as 50 per cent, the Minister of Post Telephone and Telegraph, Dr. Alawi Darwib Kayal, has confirmed here. This would mean additional spending of as much as \$900m. In an interview with the Jeddah weekly magazine Saudi Business Dr. Kayal said that the Government is now seeking to merge the telephone expansion programme under the current Five-Year Plan with part of the work envisaged for the 1980-1985 Plan now under preparation. He added that the Government was considering contracts for an additional 285,000 lines in order to save both time and money. The new lines would be in addition to the current Plan's provision of 475,000 lines, due to be completed at the end of next year under a tight schedule.

In December 1977 a consortium of L. M. Ericsson of Sweden, Philips of the Netherlands and Bell of Canada was awarded a SR 10.8bn (£1.6bn) contract to instal and operate the new lines. The contract was the largest of its kind ever awarded. It proposed a line density of 25 per 100 persons in the major towns which was to be extended to 25 per 100 for the whole country in the third Plan. When work began at the beginning of last year there were only some 162,000 telephone lines operational in Saudi Arabia. But it appears that fears of increased costs—which have bedevilled the project since its birth in the 1975 Plan as an SR 900m scheme—and the disruption to the system from major work in the 1980s had prompted the PTT Ministry to study an immediate extension.

U.S. worry over semiconductor imports

SAN FRANCISCO—Japanese exports of semiconductors in 1978 increased to 16 per cent of its total value of production from only 1 per cent in 1974, according to a survey by the Bank of America.

The bank said construction of highly automated production facilities in Japan will provide Japanese producers with continued incentives to operate at full capacity and to increase sales abroad.

The Bank of America said 1978 production in Japan of integrated circuits rose to 1,060n units from 828m in 1977, but production of discrete devices declined to 9,800n units from 9,690n.

The bank of the top five producers of semi-conductors in Japan accounted for around 67 per cent of all domestic production and the top 10, nearly 80 per cent. It said the top 10 Japanese semiconductor producers accounted for around 60 per cent of total consumption. Japan's semiconductor imports, both in unit and value as a percentage of total production, have been declining despite the strengthening of the yen. It said it expects Japan's semiconductor imports will continue to decline. Reuter.

Dunhill fashions set to step up Japanese success

BY CHARLES SMITH IN TOKYO

A ¥1.7m (£4,250) man's fur-lined raincoat is being exhibited in Tokyo by Alfred Dunhill in a display of luxury menswear aimed at Japanese businessmen.

The cost is part of Dunhill's second Tokyo fashion show. Since the first, held in February, 1977, Dunhill has seen men's clothing sales rise from almost zero to about 25 per cent of the ¥3m to ¥5m-worth of luxury goods it sells in Japan. Indeed, Japan is well ahead of other foreign markets for Dunhill clothing, apparently because of the reputation acquired by the company's lighters and smoking accessories before it was decided to move into clothing.

Despite the publicity-gaining ¥4,250 raincoat, Dunhill's main clothing sales actually consist of sweaters and other knitwear. The prices of such goods can range up to ¥65,000 (£162) or beyond. Dunhill says it has never licensed its products to local manufacture in Japan and never will. It differs in this from successful French clothing designers, such as Pierre Cardin and Christian Dior, whose locally manufactured clothes now hold sizeable shares of the Japanese mass market.

Technip Yugoslav order

BY DAVID WHITE IN PARIS

TECHNIP, the French plant engineering group, has won an international tender for a methanol unit at Kikinda in Yugoslavia, worth about FF300m (\$70m). The 200,000-tonne-a-year plant, on a gas field site about

60 miles north of Belgrade, will be based on ICI's low-pressure methanol synthesis process. At a later stage it will also use the Texaco process for synthesis gas preparation by partial oxidation and the Tenneco process for carbon monoxide extraction.

Legal framework near completion

BY BRJ KHINDARIA IN GENEVA

ONE OF the innovations to emerge from the Tokyo Round of trade talks is a new legal framework for the General Agreement on Tariffs and Trade (GATT) which governs world trade.

Negotiations to revise the existing framework are now awaiting developments in other sectors of the Tokyo Round for the final push to settle remaining differences.

The talks were begun in 1976 on the basis of a Brazilian proposal whose aim was to change laws governing international trade to reform the world's trading system in line with the developing country demand for a new international economic order. But the results obtained so far seem to have satisfied no one.

Although developing countries have won some important steps towards their view of a fairer system of world trade, the industrialised countries have insisted on getting a return for every concession made.

Some crucial battles remain to be fought before the reform programme is completed but the basic outline is unlikely to change. As worked out so far, the negotiators, called the framework group, have developed five main issues as part of the reform programme.

The most important issue for developing countries is the "enabling clause" which makes it legal for a GATT member to give privileged treatment to any developing country. Under existing GATT rules the most favoured nation clause applies so that any favour given to one country has to be offered equally to all other GATT members.

After obtaining special derogations from GATT in the past, the United States and the Common Market set up "generalised schemes of preferences" (GSP) designed to offer special trade concessions to developing nations only. The most favoured nation principle was retained in dealings with developing nations under the schemes but was not extended to developed countries.

The enabling clause fixes GSP and other special treatment as normal features of world trade thus formally legalising the right of developing countries to get privileges. Developed

countries are not obliged to establish offers such as GSP, but they can no longer invoke GATT rules as a pretext for not doing so.

As *quid pro quo* for accepting the enabling clause the developed countries are seeking assurances that GSP offers may be phased out in line with advancing economic development in nations receiving the privileges.

Another major developing country demand was for special privileges concerning safeguards. Developing nations do not use the safeguard clause contained in GATT's Article 19 which allows for import curbs in exceptional cases of proven harm to domestic industries.

Instead they use the argument that some of their industries need protection for the sake of national economic development, and imports need to be restricted to restore balance of payments equilibrium.

This demand has been more or less conceded by developed nations with the proviso that the curbs are recognised to be undesirable as a balance of payments measure and should be taken in a manner that does not distort normal trade flows.

The United States has insisted that it cannot get any Tokyo Round package containing special concessions for developing countries through Congress without obtaining something in return. This has led to the introduction of the concepts of reciprocity and export restrictions, both of which are anathema to developing nations.

It is likely however, that the developing nations will accept that they cannot expect privileges in those sectors that compete effectively, in home or third markets, with developed country exports. The notion of export restrictions is meant to be something more than export restraint.

In effect, developing countries have agreed to restrict exports of certain processed goods in order that developed nations do not find themselves in short supply of raw materials because they are being processed before being exported.

The framework negotiations also contain an issue of interest mainly to developed nations, particularly the U.S. and the EEC. This concerns consultations, surveillance and dispute settlement procedures under GATT.

Tokyo signs railway agreement with China

TOKYO—Japan agreed yesterday to help China modernise its railway system in the first government-level technical co-operation between the two countries.

The Foreign Ministry said Japan and China exchanged formal documents on the technical co-operation in Peking. The accord calls for Japan to provide technical assistance to China to modernise a 137-kilometre stretch of a railroad line between Peking and Tientsin and 696 kilometres between Peking and Chengchow.

Japan will help China to electrify those lines, run them with the use of a computer system and to instal an automatic control system to operate passenger and freight trains. China is reported to be hoping to complete the project by 1981, but Japanese officials fear it may take longer.

The Ministry said the first of Japan's technical missions will leave for Peking on Friday to discuss details. The second will leave Tokyo on February 14.

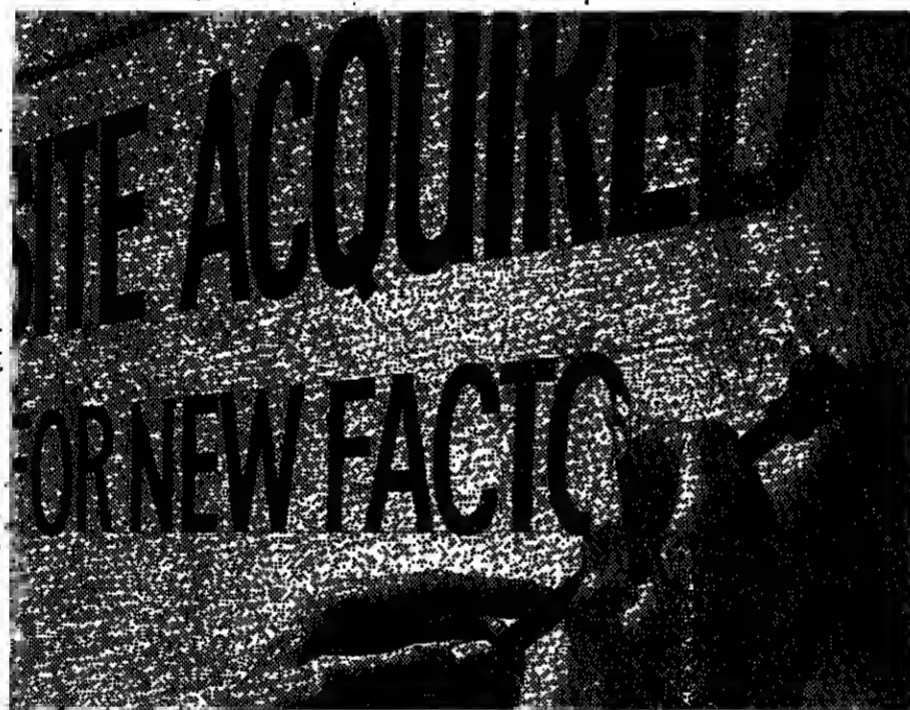
These missions will also conduct preliminary surveys of China's railway system. About ten Chinese technicians will then visit Japan in March for two months' training by the Japan National Railways Corp.

West Germany and France are understood to be negotiating possible railway co-operation with the Chinese but have not apparently reached an agreement. Japan and China had been negotiating since last July. The cost of financing the project hasn't been determined.

Fluor said it had received an \$11m contract from the China National Technical Import Corporation of China for management services and procurement of equipment for two petroleum processing research facilities.

The company said the facilities will be installed at Peking and Fu Shun in northeastern China. The projects are aimed at improving China's ability to research and develop petroleum refining. Agencies

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JOB CENTRE

British groups' China work may earn £1bn.

BY PAUL CHEESRIGHT

BRITAIN AND China are to collaborate in the development of China's non-ferrous mineral reserves under an agreement which opens up the possibility of export orders for the UK worth about £1bn over several years.

Seltrust Engineering will appon the planning work between them, but they will not end up in competition. To some extent they bring complementary skills: Charter-CJB has experience in tin, while Seltrust Engineering has experience in copper.

Abbey National warns of wage crush on housing

BY MICHAEL CASSELL

THE RETURN to more stable house prices could be short-lived if the Government fails to hold down wages, the Abbey National Building Society warned yesterday.

had generally risen by only a little over 7 per cent. In 1978, while the flow of funds was held back at the Government's request, house prices rose by nearly 30 per cent. The Abbey says they rose by 34 per cent in the south east.

More big companies change accounting policies

By Michael Lafferty

A SUBSTANTIAL minority of major UK companies are departing from the traditional historic cost accounting convention in their main accounts.

Schreiber given £6m factory loan by EEC

BY COLLEEN TOOMEY

SCHREIBER INDUSTRIES, the General Electric subsidiary, ended its search for finance to build a furniture factory yesterday with a £6m loan from the European Investment Bank, the EEC's long-term finance body.

Stockbrokers expect rise in MLR

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

FURTHER WARNINGS of a rise in the Bank of England's Minimum Lending Rate came yesterday from two leading firms of City stockbrokers.

Customs receipts up 13%

By David Churchill

HIGHER REVENUE from petrol, tobacco, and drinks has enabled the Customs and Excise to report that receipts are up by almost 13 per cent, according to its annual report published yesterday.

Post Office pension funds up to £1.53bn

BY ERIC SHORT

TOTAL ASSETS of the Post Office Staff Superannuation Fund rose by over £300m to £1.53bn in the year ending March 31, 1978.

into equities, 35 per cent in property and the balance into fixed interest.

Healey asked to cut farmers' taxes

BY CHRISTOPHER PARKES

MR. DENIS HEALEY, Chancellor of the Exchequer, has been asked to reduce the tax rate of farmers and landowners in the next budget.

GLC 'should have power to raise local taxes'

BY PAUL TAYLOR

THE GREATER London Council should be empowered to raise local taxes and to distribute government grants accordingly, says a report by the council's director-general, said yesterday.

Mr. James said the revenue budget for the GLC and the London boroughs was £3,750m a year. Of that 60 per cent was in the form of government grants with much of the spending predetermined by national policies.

Instant printing shop network to be set up

AN INSTANT print franchising company offering a "printing while you watch" service was launched in London yesterday.

Scalextric car sets recalled

MORE THAN 300,000 Scalextric model racing-car sets are being recalled by the manufacturer.

Homes schemes given go-ahead

SIX HOUSING schemes providing homes for more than 400 people have been given the go-ahead by the Greater London Council housing development committee.

THE MAN WHO WENT IT ALONE TO MEMPHIS GKN moves in on U.S. distribution

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

FOR 43-YEAR-OLD Mr. Gerry Clancy, a quietly spoken Irishman, to have taken GKN into the retail motor spares market in such a dramatic fashion by the proposed acquisition of one of the largest distributors in the U.S. is something of an individual triumph.

looking for a suitable acquisition. Although he is chairman of a company which in the next five years is scheduled to become one of GKN's biggest, he has no staff apart from one secretary. He says: "It was in the nature of the operation that I had to go it alone. Delicate negotiations with leading companies meant secrecy was paramount."

time of the Leyland Cars re-organisation. A former deputy managing director of the truck and bus division, he was one of the key executives whom Mr. Michael Edwards, chairman of GKN, was sorry to lose.

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London office jobs 'slow fall in employment'

FINANCIAL TIMES REPORTER

NEARLY 40 per cent of London's 3.5m working population are employed in offices and the number has been rising steadily since 1961, says Greater London Council report.

Changed technology and improved production management have led to a rising ratio of office workers in both manufacturing and service industries, and while London's manufacturing sector has declined rapidly, the number of office jobs within it has fallen relatively slowly.

Sussex Tompion clock fetches record £65,000

AN ANONYMOUS buyer paid an auction record price for an English clock of £65,000, plus a 10 per cent premium, at Christies' yesterday for the Sussex-Tompion, a rare 17th century striking chony bracket clock made by Thomas Tompion, the "father of English clock-making."

Japanese clock in the form of a portable shrine, dating from the late 19th century sold for £11,000.

SALEROOM

BY ANTONY THORNCROFT

The previous beats were £62,500 paid in November, 1976, for a timepiece by Thomas Mudge; £38,000 for a bracket clock; and £30,000 for a clock by Tompion.

Doctors want action to discourage drinking

BY DAVID FISHEROCK, SCIENCE EDITOR

DOCTORS are urging the Government to ensure that the national level of alcohol consumption rises no higher than at present by index-linking its price to wages if necessary.

At least one person in 200 already has a serious drinking problem and this is probably a gross underestimate. The doctors say in a report out today.

Per capita consumption of alcohol in Britain has almost doubled since 1950, and this has resulted in a 25-fold increase in Health Service admissions to psychiatric hospitals for the treatment of alcoholism.

The report calls for clear public information on what constitutes safe and dangerous levels of drinking.

It recommends—on the basis of medical evidence—as “reasonable guidelines for the upper level of drinking” a daily consumption of four pints of beer, or four doubles of spirits, or one bottle of wine. But it adds that it is still unwise to make a habit of drinking at such a level.

The report Alcohol and alcoholism was prepared over the last three years by a special committee of the Royal College of Psychiatrists under the chairmanship of Dr. Griffith Edwards, honorary director of the Addiction Research Unit of the Institute of Psychiatry in London.

According to Dr. Edwards, there is a “straight-line relationship” between price and alcohol consumption, and the real price of alcohol in Britain has been going down steeply.

Dr. Edwards, a psychopharmacologist, admits that alcohol is one of his personal pleasures, but he also recognises that by drinking too much he would simply be building up his own tolerance.

He describes it as an addictive drug, generally depressive—tranquillising—in a future, which probably would not pass the Committee of Safety of



Dr. Griffith Edwards

Drugs today because it is addictive and can cause such side-effects as cirrhosis of the liver and cancer of the oesophagus. But he is sceptical of such ploys as health warnings on bottles, describing them as pseudo-solutions. “There is no evidence whatsoever that warnings on cigarette packets do anything more than habituate people to the dangers.”

His committee had tried to permeate the report with scientific evidence, “yet no-where too visible,” says Dr. Edwards. The message is more complex than in the case of corresponding reports on the

dangers of smoking from the Royal College of Physicians, since the evidence seems to be that alcohol in small amounts does a power of good.

But the 162-page report presents a mass of data demonstrating the serious problems that high levels of consumption are producing—an endemic disorder of frightening magnitude.

In England and Wales some 13,500 hospital admissions a year are for alcoholism, at a cost of upwards of £4m. It also quotes the Blennerhasset Committee’s figure on the cost of road accidents due to drink, at about £100m a year.

Between 1950-76, alcohol consumption per head of the adult population rose by 87 per cent. Over 100,000 cases of drunkenness a year come before the courts, more than at any time since World War Two.

The doctors want more government money spent on publicising the dangers of alcohol—they cite the £27m spent on alcohol advertising in 1975 compared with £1.5m spent on all aspects of health education.

Alcohol and Alcoholism, Tavistock Publications Ltd, pp.162, 31, Fetter Lane, London EC4P 4EE. £1.95 (£5.95 hardback).

Gatwick plans to beat congestion

By Michael Donne, Aerospace Correspondent

THE BRITISH Airports Authority is ready to provide emergency marquee accommodation at Gatwick Airport this summer, if there is any repetition of last year’s congestion arising from short-notice strikes and foreign air traffic controllers’ disputes.

A meeting in London yesterday called by Sir Henry Marking, chairman of the British Tourist Authority, to review arrangements for this summer at Gatwick heard that it was hoped that this accommodation would not be needed, but contingency plans were needed.

The meeting was attended by representatives of airlines and other organisations using Gatwick.

While the airport, following a £100m modernisation scheme, is claimed to be capable of handling 16m passengers a year, this is based on a steady flow. Last year the airport proved unable to cope with large inflows of passengers.

Such inflows, caused by bad weather delays or disputes can be eased only by providing temporary facilities.

NEWS ANALYSIS—TACHOGRAPHS

BY IAN HARGREAVES

Road hauliers fear ‘spy in cab’ battle with transport union

THE ROAD haulage industry, having just ended an industrial confrontation over pay, could be facing another over the tachograph.

Yesterday’s European Court verdict against the British Government’s refusal so far to implement a Community regulation requiring the compulsory use of tachographs in domestic lorries and coaches means that UK Ministers must either, for the first time, defy a court ruling or face an angry Transport and General Workers’ Union.

Some anti-Europe ministers have apparently already argued that Britain should defy the ruling.

Mr. William Rodgers, the pro-European Transport Secretary, while regarding the tachograph question as a boring irritation, will no doubt feel inclined to take the opposite view.

The most likely outcome must be an attempt by the Government to win a long phasing-in period for the instrument, whose use should have become obligatory for all heavy goods vehicles and coaches from January of last year.

Whether this will mean confrontation with the unions, who remain committed to their view

of the tachograph as a “spy in the cab,” is unclear.

It has often been stated privately, even by senior union men themselves, that the tachograph would be acceptable at a price.

But with the unions fresh from their 21 per cent pay deal triumph, road haulage employers are scarcely in the mood for considering future “productivity” settlements based upon acceptance of the tachograph.

Package

It is possible of course that, given a sufficiently long phase-in period, such a productivity element could form part of the package in next year’s road haulage settlement.

The worst fear of the employers is that the court ruling and the eventual Government response will trigger immediate industrial action in the more militant TGWU areas. Action has been taken in the past simply in protest at the tone of Ministers’ speeches on the subject.

This would be particularly galling for the employers who, through the Road Haulage Association and the Freight

Transport Association, have themselves opposed compulsory use of the tachograph.

They accept the argument that for certain kinds of road fleet operations, the tachograph’s information on driving time, stopping periods, speed and fuel consumption is a useful management tool. European fleet managers, whose unions have welcomed rather than resisted the tachograph, speak of up to 30 per cent productivity improvements as a result of the data supplied.

Management does not, the associations argue, need forcing into productivity improvements. Moreover, with the instrument compulsory, they fear that any damage or malfunction of the tachograph would mean a visit to a Government-appointed tachograph sealing station and consequent delays and damaging “down time” for the vehicle.

The capital cost of fitting a tachograph—between £200 and £300 a vehicle—is also a deterrent for employers.

Meanwhile the tachograph manufacturers are continuing their long wait. Kienzle, the German company which dominates the European market, has its Lucas Kienzle joint venture ready for the instant supply of instruments to the UK

from Germany. Veedur-Root, the Scottish-based subsidiary of a U.S. parent and Smiths, are also ready to supply.

Lucas Kienzle says that 50,000 of the 450,000 British vehicles covered by the EEC’s regulation already have a tachograph—mainly because they were supplied as standard equipment in a new lorry.

The company believes that given Government willingness to licence more sealing centres—Lucas Kienzle has 140 of which only 60 are so far licensed—there will be no log-jam in fitting the hardware.

Political

The outcome, as ever, rests upon political decisions and industrial considerations which are remote from the intentions of the Commission civil servants who drafted regulation 1363 covering tachographs in 1970.

Their intention was to promote the use of a device less open to abuse than the conventional log-book in the interests of preventing drivers exceeding permitted hours, thereby creating both unfair competition and road safety hazards.

Limit saccharin intake, urges Which? report

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

THE CONTROVERSY over the potential health-hazard from saccharin-based sweeteners is raised again by the Consumers’ Association in today’s issue of Which? magazine.

The magazine says that there is still a question over the effects of saccharin, and that consumers may run a slight risk by using it as a substitute for sugar.

Saccharin has been banned in Canada since 1977, the magazine says, after tests showed that large doses of saccharin could cause cancer of the bladder in rats. It was to have been banned in the U.S., although the ban was suspended until this year.

Which? suggests that to keep the potential risk to a minimum daily consumption should be limited to 12 tablets or two cans of low-calorie drink. But it says that the evidence against another artificial sweetener—cyclamate, which has been banned in the UK since 1969—may be less strong than that against saccharin.

The Department of Health was unable to comment in detail on the Which? article yesterday. But a spokesman confirmed that there was an element of risk in saccharin because tests had shown that large doses could cause cancer in animals. The

department has advised consumers to take only small doses of saccharin but says that very large doses—more than 100 bottles of low-calorie drink a day—would be required for any ill-effects to occur.

In the magazine’s consumer report on artificial sweeteners, it found in laboratory tests that tasters could not consistently tell the difference between artificial sweeteners and granulated sugar served in tea, coffee and apple puree.

Which? dismisses the theory that brown sugar is better than white sugar.

In a separate report on the “Monitel” automatic charge clock for telephone calls, Which? says that most people appear to want a low cost device that would tell them how much a telephone call was costing. “The device should also at the end of the call show the cost of that particular call and the cumulative total spent,” it adds. But it concludes: “Monitel does not really meet this need. All our six users, when asked if they would buy Monitel for themselves, said ‘no’.”

Holiday Which? magazine, also published today, claims that fire safety standards in foreign hotels are generally inadequate. The association is starting a campaign for tougher fire regulations abroad.

New rules for car jack makers

CONCERN about the safety of some accessory car jacks has led to new design specifications being issued by the British Standards Institution.

They are specifically for jacks bought separately by motorists and not for those supplied with vehicles by manufacturers which are already

covered by institution specifications.

The new requirements cover the size of the jack’s lifting pad and base, its control ability, load capacity and durability. The institution also says the equipment should carry a warning not to work on a car supported only by a jack.



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Indeed, if your office is famous for its breakfasts and can also travel at speeds up to 125mph, there may be remarkably few practical differences between it and the train.

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UK NEWS

Industrial strategy: third-year review

BY JOHN ELLIOTT AND PETER RIDDELL

Policy implications will be checked at early stage

FORMAL PROCEDURES have been set up in Whitehall to ensure that industrial implications of all new government policy proposals are examined at an early stage.

Government has tried to maintain policies favourable to industry. At the macro-economic level, they say the Government has maintained control over money supply and has adopted a "realistic attitude" to public expenditure.

would be reduced if earnings rose too rapidly over the medium-term. On the other hand, a higher rate than 3 per cent could be achieved if inflation was brought under firm control and if the industrial strategy led to higher productivity and better trade performance.

The paper says that the measures include improving the supply of information about industry's needs for well qualified recruits, and the use which the educational and training systems make of such guidance.

industry to bring forward 60 projects worth £586m. Other industry schemes have generated 1,326 offers in the past year towards projects worth £558m.

The paper says "A number of sector working parties have referred in their annual report to the need for improvements in the speed, availability and relevance of official statistics provided to industry and policy makers."

Slightly lower objectives set out for industries

Marketing problems are highlighted

OVERALL OBJECTIVES for increasing the British share of both home and overseas markets slightly during the last year by several of the industries represented in the sector working parties.

of manufacturing industries' number of working parties last year. For the 19 groups for which both export and import objectives can be calculated, an improvement in their balance of trade of £2.1bn at 1978 prices is suggested.

MARKETING OF goods at home and abroad, together with product development, have been two of the main issues tackled by the industrial strategy's 40 sector working parties during the past year.

automation and instrumentation, constructional steelwork and equipment, fluid power equipment, food and printing machinery, industrial trucks, and mechanical handling.



Mr. Denis Healey, Chancellor of the Exchequer, Mr. Geoffrey Chandler, director general of NEDO, and Mr. Eric Varley, Secretary of State for Industry, reporting yesterday on the third-year review of industrial strategy.

What is the outlook for the Euromarkets in 1979?

What is the practical impact of the European Monetary System? How is the financial community being affected by the gathering crises in Iran and other countries in North West Asia?

Lancaster. Other speakers will include, Dr. Charles A. Coombs, Director and Consultant, First Chicago International Banking Corporation; Mr. S. M. Yassukovich, Managing Director, European Banking Company Limited; The Rt. Hon. Lord Chalfont, Director, IBM (UK) Limited; Mr. Norman Robertson, Senior Vice-President and Chief Economist, Mellon Bank NA; Dr. Klaus Wieners, Senior Vice-President and Chief Economist, Westdeutsche Landesbank Girozentrale.

THE EUROMARKETS IN 1979. A FINANCIAL TIMES CONFERENCE. To: Financial Times Limited, Conference Organisation, 'THE EUROMARKET IN 1979', Bracken House, 10 Cannon Street, London EC4P 4BY.

Collaboration Under the broad heading of marketing and product development, the working parties' activities fall into four main categories. Of the 37 working parties, product reports this year, 22 have studied import penetration problems, and 25 are promoting collaboration between product manufacturers and users.

Director of NEDO lists areas of progress THE INDUSTRIAL strategy has made progress in three main areas although its impact may not be measurable in macro-economic terms for several years, according to Mr. Geoffrey Chandler, the director general of the National Economic Development Office.

But he added: "There has already been clearly identifiable progress which fully justifies the exercise." First the Government's understanding of manufacturing industry had improved and it had given a commitment that industrial development should be a priority.

Notice of Redemption To the Holders of KINGDOM OF DENMARK 9% Twelve Year External Loan Bonds of 1970 due March 1, 1982. NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Bonds of the above-described issue, Morgan Guaranty Trust Company of New York, as Fiscal Agent, has selected through operation of the Sinking Fund for redemption on March 1, 1979 the principal amount thereof together with accrued interest to the date fixed for redemption \$2,000,000 principal amount of said Bonds bearing the following serial numbers:

NOTICE OF REDEMPTION To the Holders of CYANAMID INTERNATIONAL DEVELOPMENT CORPORATION 5% Guaranteed Sinking Fund Debentures Due 1980. NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of September 1, 1965 providing for the above Debentures, \$711,000 aggregate principal amount of said Debentures have been selected by lot for redemption on March 1, 1979, through operation of the Sinking Fund, at the redemption price of 100% of the principal amount thereof, together with accrued interest to said date.

Stevedore company goes into liquidation

By Lynton McClain

THE ONLY stevedoring company left on the upper Docks of the Port of London...

The company employed 456 registered dockers at the India Miltail and Tibby docks...

The PLA had no choice but to take on the extra men...

Mr. John Black, the managing director of the PLA...

Bath and Portland's Iran deal in trouble

BY MICHAEL CASSELL

SITE WORK on the Bath and Portland groups' £105m road contract in Iran...

The 180-mile road contract, scheduled for completion this year...

The authority has already been promised £35m by Mr. Rodgers for the severance of 1,489 registered dockers...

SHORT-TIME working is to be introduced next week at Rolls-Royce Motors' diesel engine fac-

employed at the factory, two-thirds of whom will be affected by the four-day week...

BL says that there are skilled workers at Browns Lane Jaguar works, Coventry...

A key factor in the decision to shut Kingsbury is the cost of bringing the Jaguar chassis and running gear from Coventry...

The link with BL dates from 1946, when the plant was bought by the Austin Motor Company...

In the 1930s the Bentleys built at Kingsbury were winners of the Le Mans motor rallies.

dropped from 5,511 units in 1976 to 2,944 last year...

The Board's financial position is becoming increasingly serious...

As for consumer representatives they could not represent the 50 million consumers who are the citizens of this country...

As for consumer representatives they could not represent the 50 million consumers who are the citizens of this country...

As for consumer representatives they could not represent the 50 million consumers who are the citizens of this country...

PARLIAMENT and POLITICS

Tories pick up Labour rubbish

TWO Conservative MPs went rubbish-collecting at Labour Party headquarters in London yesterday in an effort to beat NUPE strikers...

Mr. Robert Adley (Christchurch and Lymington) and Sir Anthony Meyer (W. Flint) drove to Transport House...

Check on directors

MR. JOHN SMITH, the Secretary of State for Trade, announced last night that he is considering whether laws on conduct of company directors need to be strengthened...

'Rigging' attack

ARRANGEMENTS for Scottish referendum party political broadcasts are a shambles and must be cleared up...

Drinking hint

EASIER licensing laws could lead to fewer drink-drive offences...

No volunteers

THE Scottish Secretary told the Commons yesterday he would not urge volunteers to help in Scotland's hospitals...

Warning on 'split personality'

THE BOARDS of nationalised industries should not contain civil servants or worker or consumer representative...

BL keeps its sales lead for fourth month

Renewed demands for trade union law reform

BY IVOR OWEN

A ONE-VOTE majority, secured with Liberal support, provided another boost yesterday for the Tory campaign in the Commons to reform the law on trade unions...

Mr. Robert Adley (Christchurch and Lymington) and Sir Anthony Meyer (W. Flint) drove to Transport House...

Check on directors

'Rigging' attack

Drinking hint

No volunteers

Warning on 'split personality'

BL keeps its sales lead for fourth month

drinking hint

No volunteers

Warning on 'split personality'

BL keeps its sales lead for fourth month

drinking hint

Section 15 of the 1974 Trade Union and Labour Relations Act to place any limit on the number of pickets...

Price Bill Pickets

MR. ROY HATTERSLEY, the Prices Secretary, was last night making an eleven-hour effort to persuade Scottish Nationalists from supporting a Liberal proposal...

Drinking hint

No volunteers

Warning on 'split personality'

BL keeps its sales lead for fourth month

drinking hint

No volunteers

Warning on 'split personality'

BL keeps its sales lead for fourth month

drinking hint

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production, manufacturing output (1975=100); engineering orders (1975=100); retail sales volume, retail sales value (1975=100); registered unemployment (excluding school leavers) and unfilled vacancies 1000st. All seasonally adjusted.

Table with 7 columns: Year, Mfg. output, Eng. output, Retail vol., Retail value, Unemp., Vac.

OUTPUT—By market sector: consumer goods investment goods, intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, leather and clothing (1975=100); housing starts (000s, monthly average).

Table with 7 columns: Year, Consumer goods, Invt. goods, Intmd. goods, Eng. output, Metal mfg., Textile, Housg. starts

EXTERNAL TRADE—Indices of export and import volume (1975=100); visible balance; current balance; oil balance; terms of trade (1975=100); exchange reserves.

Table with 7 columns: Year, Export volume, Import volume, Visible balance, Current balance, Oil balance, Terms of trade, Resv. US\$bn

FINANCIAL—Money supply M1 and sterling M3, bank advances in sterling to the private sector (three months' growth at annual rate); domestic credit expansion (£m); building societies' net inflow: HF, new credit: all seasonally adjusted. Minimum lending rate (end period).

Table with 7 columns: Year, M1, M3, Bank advances, DCE, BS, HP, MLR

INFLATION—Indices of earnings (Jan. 1976=100); basic materials and fuels, wholesale prices of manufactured products (1975=100); retail prices and food prices (1974=100); FT commodity index (July 1952=100); trade weighted value of sterling (Dec. 1971=100).

Table with 7 columns: Year, Earn. index, Basic matls., Whse. price, RPI, Foods, FT, Strig.

* Not seasonally adjusted.

Vanden Plas car works to shut

BY MAURICE SAMUELSON

THE VANDEN PLAS factory at Kingsbury, London, supplier of limousines for more than half a century...

The date of the closure depends on the talks between management and representatives of the 250 staff at the factory...

It is claimed that instead of dispersing such a skilled team BL should have exploited the Vanden Plas expertise in the way that Ford has done with Ghia.

Austrian subsidiary to be sold to dealer

BY PAUL LENDVAI IN VIENNA

FACED WITH a serious drop in sales, BL's trading subsidiary in Austria (BL Austria) is to be sold to one of the country's main car dealers...

Mr. Karl Rohan, director-general of BL Austria, confirmed that negotiations on the sale were at an advanced stage...

BL keeps its sales lead for fourth month

BY LISA WOOD

BL RETAINED its overall lead in the new car market last month for the fourth month in succession...

Chloride change steps up output

Chloride-Lorival of Bury, rubber battery containers in the 1980s...

Welsh campaign against bureaucracy

BY ROBIN REEVES

A MARCH 1 referendum vote for Welsh and Scottish Assemblies will represent the first halt to the floodtide of bureaucratic centralisation...

It stresses that, in the major countries of Western Europe, there is an unmistakable trend towards new political institutions similar to the proposed executive Welsh Assembly...

Dockland complaint

BY PAUL TAYLOR

A SEMI-AUTONOMOUS industrial development board with its own budget is needed to encourage redevelopment of London's docklands...

The board would include public and private employers, union and community representatives, and be directly accountable to local authorities in the area...

At one point, he asked Lord Byers, the Liberal leader: "What do you want us to do immediately—shoot them or what?"

Lord Peart snarled: "I hope noble lords will be very careful about what they say on this matter today."

Field will concentrate on low pay

By Paul Taylor

MR. FRANK FIELD, director of the Child Poverty Action Group since 1969, has resigned to pursue a more active role in the Low Pay Unit...

Mr. Field led the group's campaign to establish the Child Benefit Scheme and was involved in the leak of Government plans for the scheme in 1978-79.

Mr. Field is a director of the Low Pay Unit and said he hopes to concentrate on investigating low pay, employment and relationships.

He will continue to work at CPAG until a replacement director is found.

James McDonald writes: A Shelter report, Housing—a Guide for Local Action, calls on local housing groups to press the Government and local councils for a better deal for the homeless and badly housed.

The new BMW 6 Series range.



The choice isn't necessarily automatic

For those who wish to enjoy the most civilised and powerful motoring BMW offer a new Coupé, the 635CSi. Together with the established 633CSi, these BMW Coupés offer the driver two brilliant and dynamic alternatives. Which one you choose is a question of taste.

The automatic choice is the BMW 633CSi with its ZF 3-speed automatic transmission. Power is from a 3.3 litre, six cylinder, fuel injected engine. Maximum speed is in excess of 130mph, but this, for obvious reasons, is largely unimportant. What is so pleasing about the 633CSi Coupé is the way it behaves when you drive it, the feeling of pleasure it gives. With its true four-seat capacity, its standard option of leather or velours upholstery and its feeling of refined purpose the 633CSi is one of the most civilised Coupés you can have.

The new BMW 635CSi offers something extra in sheer performance terms. Its engine is larger, 3.5 litres. It produces 218bhp and has a top speed of 140mph. 0-60mph time is 7.3 seconds and the suspension is uprated. The graphite, henna and polaris models come with front and rear aerodynamic spoilers whilst all other colour variations come with standard exterior trim. Moreover, the 635 offers you the delights of an engine of incredible torque and power matched to a five speed gearbox. Luxury refinements remain

the same as the 635.

So the choice between the two BMW Coupés is not simply automatic. May we suggest you try them both so you can determine precisely what balance of civilised performance pleases you most.

Specification Resumé.

BMW 633CSi Coupé (Automatic).

Engine: 3210cc, six cylinder, fuel injected producing 200bhp. Automatic transmission.

Performance: Maximum speed 134mph. 0-60 in 10.1 secs.

Price: £15,379

BMW 635CSi Coupé.

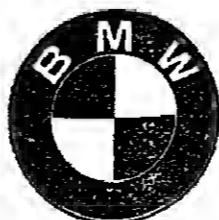
Engine: 3453cc, six cylinder, fuel injected producing 218bhp. 5-speed gearbox.

Performance: Maximum speed 140mph. 0-60 in 7.3 secs.

Price: £16,499

(Prices correct at time of going to press. Source of figures, BMW.)

Leasing: In today's financial conditions, leasing a BMW can create substantial advantages. Your local BMW Centre will be happy to put you in touch with expert advisors on leasing who can describe the schemes in detail.



For the joy of motoring.

BMW Concessionaires (GB) Ltd., 991 Great West Road, Brentford, Middlesex. 01-568 9155. Export, NATO & Diplomatic: 56 Park Lane, London W1. 01-629 9277.

Technical Page

COMPUTING System tuner will save money

WHETHER major manufacturers like it or not—and some like it not at all—the conviction is growing among users of medium to large computers that some form of system performance monitor is essential.

This is also becoming the case here: a single large central processor is being used, whereas until fairly recently, performance management was generally achieved by justified only where two or more central processors were working in harness and particularly in the latter case.

In fact, Testada can point to a major increase in demand for its performance monitoring equipment—which pinpoints where a computer system is sluggish or inefficient—coincident with the start of deliveries of IBM's 303X machines and an upsurge in installations of the bigger TCI 2900's.

In Britain alone, the company provided a firm worth of test packages during 1978, 75 per cent up on 1977, and counted among its new users the Post Office, Woolworths, Shell, Barclays Bank, Will Faber and Dumas and B.L. Cars.

Design to suit the small company

A MINICOMPUTER system aimed at small and medium sized businesses, the K2600, has been introduced as a "total service" by Kalamazoo, Northville, Michigan B31 2RW (021 475 2191).

Physically the system consists of an under-the-desk mini-visual display unit with keyboard and a daisy-wheel printer.

Acquires the data fast

FOR ON or off line working, the MPE 2500 data acquisition cassette system from Data Dynamics, Springfield Road, Hayes, Middlesex (01-943 9781).

Multiplexer can think

NOW THE microcomputer has been applied to the multiplexer to enable it to assess transmission channel loading and act accordingly.

The device, Micom Micro900 is marketed by Seicom Computer Services, Brick Close, Kiln Farm, Milton Keynes MK11 3EJ (0908 568556).

INSTRUMENTS Code opens locked doors

FOR FITTING in place of conventional door locks in domestic, business and industrial premises, a push-button electronic device called Computalok Mark 2 has been put on the market by Nedinez, 28 Pemberton Road, Wigan, Greater Manchester (0942 85572).

The door-mounted unit is fabricated from stainless steel and houses a push-button numerical keypad and a doorbell button.

Plot scope extended

CALCOMP, OF The Ring, Backnail, Berks RG12 1ER (0344 50211) reports that it can now offer a hardware/software interface package which will enable users of Data General computers running under that company's advanced operating system to use CalComp electrostatic plotters for high speed graphics output.

Remote study of noise

DIGITISED measurements of sound levels can be sent from a number of noisy sites to a central point for assessment using a monitoring system devised by Computer Engineering, Wallace Way, Hitchin, Herts SG4 0SE (0462 52731).

Stops out of balance damage

IF LOAD imbalance in an industrial centrifuge becomes excessive, expensive and possibly dangerous failures can occur and Servodyn Controls, Sadler Forster Way, Thornaby, Stockton on Tees, Cleveland (0642 593718) has just intro-

DALE GENERATING SETS

For prime power, standby, and the construction industry.

TRANSPORT Lightweight towlines are strong

HIGH STRENGTH low weight towlines from Lennart Palm AB, Skafvatnatan 2, 803 56 Gävle, Sweden are easier to handle than conventional heavy duty lines which can weigh from 90 to 160 lb.

POWER Portable generator

MANUFACTURED by Atlanta Engineering, Banworth Lane, Chertsey, Surrey KT16 9JX (Chertsey 62655) is a new range of portable engine driven generators for site use where mains are not available.

ENERGY RESOURCES Simple sun following device

TO GAIN maximum heat from the sun, the plate or collector array should be kept pointing sunwards. A simple tracker invented in Australia uses mains water pressure and heat sensing pipes to keep the solar heater facing towards the sun.

Robot cash terminals of new design

NCR has released its second-generation self-service financial terminals. The NCR 1780 incorporates new facilities resulting from NCR's four years' experience of self-service "mini-bank" terminals with 770s (NCR's first generation) installed by leading financial institutions.

The UK leads Europe in the use of this kind of device, with some 240 770s ordered or installed by Barclays and National Westminster banks.

NCR already has orders for 100 1780s each from Barclays Bank, Midland Bank, and the National Westminster Bank. The Yorkshire Bank has also ordered the new system.

The Dundee plant also has orders to manufacture 1780s for financial institutions in Ireland, Spain, the U.S. and other countries.

Developed and manufactured in Dundee, the 1780 will carry out the same transactions as the 770, but it is smaller, lighter and easier to install at a lower cost.

The microcomputer with up to 128K of memory, enables the terminal to be tailored to the needs of each bank or branch. It can be programmed to carry out a variety of transactions and operate on off-

lines to a central computer. When it operates independently of the central machine, details of transactions are captured on cassette for later processing.

Mounted through the wall of a bank or installed in other sites such as stores, supermarkets, offices, factories or railway stations, the 1780 enables banks to improve customer facilities and provide a round-the-clock service.

Customers issued with an appropriate magnetic stripe card can not only withdraw cash, but carry out a number of banking services such as account inquiries, cheque book or account statement requests, obtain foreign exchange rates or make deposits. All are done simply and automatically, with customers guided through each transaction by step-by-step instructions on a visual display screen.

Among security features is a file in the memory of the terminal of lost or stolen cards. The cards themselves are also specially treated to enable the terminal to spot illegially manufactured cards.

NCR, 206, Marlborough Pnd, London NW1 6LY. (01-730 7070).

MATERIALS Valve remembers shape

SHAPE memory effect brasses adopt a repeatable behaviour pattern when subjected to thermal and mechanical effects.

Any device made of such materials will perform certain functions repeatedly for the load and temperature. Restoring the load and temperature to the initial condition restores the device to its original dimensions.

The material has been incorporated into a thermostatic radiator valve creating a solid-state device.

Contemporary designs of valves use vapour phase bellows or wax cylinders to actuate the valve in response to a change in temperature. But a common problem with this type of valve is loss of working fluid due to imperfection in seals, which leads to a change in calibration temperature and eventual loss of performance.

The shape memory effect valve cannot suffer such changes in characteristics. In performance terms the thermal sensitivity of the sensor-actuator (the distance which will move the valve for a unit change of temperature) is approximately twice that of contemporary designs, which results in a more responsive and sensitive device.

Spring elements of this material are manufactured on standard spring winding machinery using material produced by the conventional extrusion and wire drawing route.

Delta Memory Metals Company, Ipswich, Suffolk.

Simple sun following device

The tube is inserted in the focal point of the collector, a parabolic reflector, and protrudes into the storage tank.

The water under vacuum boils at a low temperature. When it boils, the vapour travels up the pipe and into a storage tank where it recondenses into water.

As the tube parts are all contained in the tank it has overcome the problem of heat exchange. With a 76.2mm (3-inch) foam insulation as an outer layer to ensure heat retention and with the pipe contained in the storage tank, there is no reverse convection to cause heat loss.

The developer has been negotiating with NV Noordelijke Ontwikkelingsmaatschappij (NOM) of the Netherlands and with Maschinenfabrik Augsburg-Nürnberg (MAN) of Munich, Federal Republic of Germany.

Further from Australian Science Newsletter, POB 12, Canberra, ACT 2600, Australia.

SOLVE INDUSTRIAL FASTENING PROBLEMS

The BE Group, manufacturers of world renowned Aylesbury rivets, rivet setting machinery and other cost-saving equipment and products, have the right answers to the fastening problems of virtually every manufacturing industry—large and small. Could you benefit from this knowledge?

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NOTICE OF REDEMPTION of Ente Nazionale per l'Energia Elettrica-ENEL (Italian National Electric Agency) 7 1/2 Per Cent. 15-Year Guaranteed Bonds of 1970 Due March 1, 1985

Bonds on selected for redemption will become and be due and payable in United States dollars on March 1, 1979, at the office of Dillon, Read & Co., 48 Wall Street, New York, New York 10005, at one hundred per cent (100%) of the principal amount thereof with interest accrued thereon to the redemption date. Bonds selected for redemption together with all appurtenant coupons maturing subsequent to the redemption date, if moors for the redemption of all the Bonds to be redeemed are available at the office of Dillon, Read & Co. on the redemption date, interest thereon will cease to accrue from and after such date.

We've had it coming for years. Successful companies have been settling and growing in Tayside for over 35 years. Companies from all over the world. Involved in a range of activities so broad that it embraces everything from Oil and Pharmaceuticals to Food Processing, Engineering, Clothing and Electronics. And although the environment's as rich, varied and beautiful as any you'll find in the British Isles, it isn't lochs and mountains that bring them our way. 1946 1952 1971 Factories, offices, skilled labour, port facilities, motorway access, airports, rapid rail freight movements, training services and commercial and industrial support... that's what Tayside's Tayside Region Industrial Office got going for it. Coming? Marketing Offices, Tayside Regional Council, Tayside House, Dundee. (Tel. 0382 23281)

Belgium  to B. Francs 900,000

THROUGH INTERNAL AUDIT TO LINE MANAGEMENT

Sprechen Sie Deutsch? parla italiano?

A major American industrial group requires for its Belgian based audit team replacements for two men about to be transferred to line positions in operating divisions. The group has substantial and growing operations on the continent and the jobs involve the further development of effective internal and operational auditing throughout Europe.

Candidates aged 25-30, fluent in English and either German or Italian, should be qualified accountants with at least two years' audit experience gained either in a large professional office or in a well managed internal audit department with a reputation for high standards. Some experience of U.S. accounting practice would be an advantage. Those appointed should, like their predecessors, have the opportunity in due course to move into financial management positions.

Considerable European travel will be involved and as a result, under Belgian legislation, a substantial allowance may in certain circumstances be deducted from earnings for the purpose of calculating taxable income.

Brief but comprehensive details of career and salary to date, which will be treated in confidence, should be sent to E. J. Robins, Executive Selection Division at the address below. Please quote reference NF 504 and include, if possible, a daytime telephone number at which you may be contacted.

COOPERS & LYBRAND ASSOCIATES LTD.
Management Consultants
Shelley House, Noble Street, London, EC2V 7DQ.

Scandinavian Bank Limited

OFFICE SERVICES MANAGEMENT

Highly capable administrator is required, reporting to the Head of Division, to manage all aspects of the Bank's UK premises in three locations in the City of London.

The position involves responsibility for ensuring a high standard of efficiency for premises, office services, supply and communication and applicants should be able to demonstrate success in these fields, preferably in a banking or financial environment.

It is probable that the experience and maturity expected are unlikely to be found in anyone under the age of 40.

An attractive salary and other benefits appropriate to a manager's appointment in banking will be offered. Applications together with detailed C.V. should be sent to:-

H. E. Child, M.B.E.,
Personnel Manager,
Scandinavian Bank Ltd.,
36 Leadenhall Street,
London, EC3A 1BH.

Director

Paper & Paper Products Industry Training Board

to succeed the present incumbent, A. Deane-Drummond, CB, DSO, MC, on retirement in August 1979.

Under the general guidance of the Manpower Services Commission, the Board's services embrace 200,000 people in the industry. Its task is to maintain and improve manpower planning, educational and training standards, develop new concepts and provide comprehensive plans for the training of the manpower in the industry to which it is responsible. The Board enjoys a high reputation in the industry for its progressive and practical policies.

The Director advises the Board, implements its policies, and directs its training and other specialists with a full support staff. Considerable travel, to keep in close touch with all levels of the industry, is involved. He/she also represents the Board at top official level with the Commission, DOI and other Government Departments.

Candidates, aged up to 55 and with backgrounds of distinction and repute, must have experience at senior executive level in industry (paper preferred but not essential) or the public sector. Starting salary negotiable up to £13,000 approximately; car; other benefits. Location, Potters Bar, Hertfordshire.

Please write with relevant career/salary details - in confidence - to S. W. J. Simpson ref. B.38307.

MSL

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Management Selection Limited
17 Stratton Street London W1X 6DB

Persian Speaking Bankers

us\$30,000-\$100,000 pa

To work in Iran and other overseas posts

A multi-national banking group operating in more than 30 countries has vacancies in senior positions, for bankers fluent in the Persian language and having extensive banking experience in Iran, with emphasis on managerial and marketing activities.

Age 30-50 years, experience 5-20 years.

Salary \$30,000-\$100,000 per annum and other benefits according to experience and ability.

Applications should be sent to: Ivan Cann, Foster Turner & Benson, Chancery House, Chancery Lane, London WC2A 1QU, by 28th February, with detailed C.V. and passport-size photograph, and indicating salary expected and a place convenient for interview. Please mark your letter FT and list any companies to whom you do not wish your application forwarded.

Foster Turner & Benson
Recruitment Advertising

Export Sales and Marketing Director

Consumer goods c. £15,000

This post requires a strategist to lead a worldwide sales thrust. The company produces its own brand prestige products, and the group of which it is part has other interests in the UK and overseas. The market-place is highly competitive requiring strong motivation and skilled direction to achieve the growth plan. The person appointed will be responsible for profit performance and all aspects of export management. Candidates must have extensive experience of consumer goods sales to Europe plus ideally South America and the Far East. A record of achievement in an overall business management capacity is also essential together with a fluent second language. Career

development prospects within the group in a senior general management role are excellent. The employment package includes a car and relocation assistance to London.

PA Personnel Services
Ref: SM5616748/FT

Initial interviews are conducted by PA Consultants. No details are divulged to clients without prior permission. Please send brief career details or write for an application form, quoting the reference number on both your letter and envelope, and advise us if you have recently made any other applications to PA Personnel Services.

PA Personnel Services

Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-235 6060 Telex: 27874



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NIGERIAN NATIONALS FINANCIAL CONTROL

£12,000 - £20,000

Our client is a growing Nigerian manufacturing and marketing subsidiary of a major U.S. pharmaceutical group. It has its Head Office in Lagos and has a turnover of £20m.

The company now wish to appoint three accountants to be involved in either Financial Control, Operations Analysis or Systems Development, the exact responsibilities reflecting the experience of the successful candidates.

Applicants should be qualified accountants or M.B.A.s currently in either the profession or commerce/industry who possess the commitment and flexibility to progress to a senior management role. Those now approaching qualification should also apply for more junior appointments the company can offer.

For more detailed information on this appointment and a personal history form please contact Neville Mills, A.C.I.S., or Lindsey Pratten, B.A. quoting reference 2382.

Douglas Lombard Associates Ltd.
Accountancy & Management Recruitment Consultants,
410 Strand, London WC2R 0NS. Tel: 01-836 9501.
121, St. Vincent Street, Glasgow G2 5HW. Tel: 041-226 3101.
3, Coates Place, Edinburgh EH3 7AA. Tel: 031-226 7744



First Rate Career Prospect

A highly successful and popularly known United States Multinational with world wide interests in music, publications and connected activities offers a challenging career prospect for a qualified accountant aged 25 to 30, preferably with reasonable fluency in two foreign languages. The successful man or woman would join a small and select team of professionals forming the European Internal Audit Department, and assume a responsible role in conducting audits, investigations and special assignments involving UK and foreign subsidiaries.

With exposure to senior Management of many companies, promotion would be expected in a reasonable time to a senior line career function within the corporation.

The qualities of loyalty, sound judgement, humour and tact are essential and some industrial experience would be an advantage.

Pleasant offices are situated in Central London and excellent hotel etc. facilities are given whilst travelling. It is usual for the team to attend a seminar in the United States once a year.

Salary is negotiable according to experience and the benefits normally associated with a leading corporation are available.

Applicants will be interviewed in London and their application treated in strictest confidence.

Please write to Position Number ASF 7133, Austin Knight Limited, London W1A 1DS.

Applications are forwarded to the client concerned, therefore companies in which you are not interested should be listed in a covering letter to the Position Number Supervisor.

AK ADVERTISING

PERSONNEL DIRECTOR

Europe
from £12,000+car

A major U.S. leisure products company wishes to appoint a Personnel Director to assume responsibility for its European Personnel activities. This assignment will include recruiting at a senior level, record maintenance for key executives, training and career development, advising management in Europe and the U.S. of developments in employment and social legislation and the implementation of appropriate personnel policies for subsidiaries located throughout Europe. Sited in West London and reporting to the Managing Director of European Operations, this position will require periodic travel in Europe.

Candidates must have previous experience in personnel and industrial relations in a multinational environment covering works council/union negotiations, compensation and benefit programme development, appraisal and career development programmes and relevant legislation, particularly in the U.K. Fluency in one or more European languages will be a distinct advantage.

The successful candidate, male or female, will receive the benefits of a large corporation, including relocation assistance if required.

Send full career details and current earnings to:

Andrew Milhouse, Ref. KR21,
Managing Director,
Ketchum Recruitment Limited,
32 Bedford Row,
London, WC1R 4EX.



EURODOLLAR BOND DEALER

A major American investment firm seeks an individual experienced in Eurodollar Bond trading.

This position will be of interest to a senior dealer with a proven record who wishes to enjoy a significant degree of individual responsibility and who will work closely with the sales staff. The salary and benefits will fully reflect the candidate's experience and potential.

Please reply in confidence to:
Box A6636, Financial Times
10 Cannon Street, EC4P 4BY

Managing Director (Designate)

Mail Order

This must be one of the most interesting opportunities in the mail order sector currently on offer. Our client has enjoyed ten years' unbroken growth and last year's record turnover of £40m. will again be exceeded in the present year.

The appointment is to a major subsidiary located in the Midlands. The role is to expand a flourishing business with national and local charities which has been built up on effective marketing and first class customer service.

Candidates, probably 35 to 45, must have a clear cut record of success in profit accountable general management in mail order, with the personality and diplomatic skills to match.

Salary in five figures plus car and other benefits.

Please send relevant details - in confidence - to R. M. Cooper ref. B.60389.

This appointment is open to men and women.

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Letters of application, which will be treated with complete confidence, should be addressed to:

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Applicants are invited to write in confidence with full c.v. to Mr. B. K. Barber, Personnel Director.

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Ref 2380A

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G. Soble, Ref: 29202/FT.

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London based, to £10,500 + car

Our client is a major international manufacturer and distributor of business equipment and supplies. With subsidiaries and EDP centres worldwide, central control is achieved through continuous information systems audit in its widest sense. The successful candidate will lead teams of professional systems staff reviewing existing or planned computer systems in the context of local effectiveness and utilisation of group information systems resources. Candidates, probably 27-35, must be graduates with at least 3 years in EDP systems management, ideally with IBM equipment. A full understanding of the business problems associated with large scale systems development is vital. There is about 30% travel, mainly overseas, and fluency in a second European or a Scandinavian language is preferred. The vacancy arises through promotion and prospects are excellent.

N.P.S. Lilley, Ref: 22010/FT.

Male or female candidates should telephone in confidence for a Personal History Form to:
LONDON: 01-734 6852, *Sutherland House, 5/6 Argyl Street, W1E 6EZ.*

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AMS Arthur Young Management Services
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Corporate Communications

Foseco Minsep is a worldwide group of companies, based in the United Kingdom, manufacturing and marketing proprietary products, primarily chemical, principally to the metallurgical and construction industries. The Group has an excellent growth record with world sales of around £200 million, operating companies in 28 countries and employs some 8,400 people.

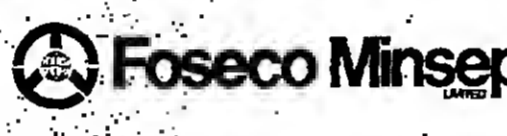
We are seeking a Group Communications Manager to be responsible for external public relations at Group level and for the development of effective internal communications, including acting in an advisory capacity to subsidiary companies.

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Salary will depend on the candidate's experience and particular qualifications to discharge the brief. Conditions of employment are excellent with the benefits expected from a major international company.

Applications, with a full curriculum vitae, to:—
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Foseco Minsep

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Applicants should have at least 3 years experience in—


- ★ foreign exchange management/ consultancy
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REPLIES will be forwarded direct, unopened and in confidence to the client unless addressed to our Security Manager listing companies to whom they should not be sent. They should include comprehensive details, not refer to previous correspondence with PA and quote the reference on the envelope.

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A member of PA International

Financial Planning and Analysis

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This is a new post reporting to the European Regional Controller of a substantial corporation engaged in the manufacture and marketing of industrial goods and capital equipment.

The corporation has well-defined financial strategies for its business development, and clear measurement criteria for its operating performance.

The job responsibilities are broad, incorporating detailed financial planning; the analysis and investigation of business performance; the improvement of accounting systems and procedures; and the development of economic forecasts against which the various territorial business plans and performance can be assessed.

The essential requirements are industrial management accounting experience in an operating environment; evidence of ability in financial planning and developing economic projections; and an accounting qualification or business/economics degree.

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FUND MANAGER FAR EAST PORTFOLIO

Provincial Insurance Company Limited is a medium-sized composite company with a 1977 premium income of £88m and present funds under management of £150m. The Investment Department wishes to recruit a Fund Manager to join its small team. The successful applicant will be required to assume responsibility as an early stage for the Far Eastern portfolio which is mainly concentrated in Japan but also with some exposure to Australia, Hong Kong, Malaysia and Singapore.

Applicants should ideally be under 28 years of age, hold a degree or professional qualification and should have two years' experience in managing a Japanese investment portfolio.

A good starting salary will be offered and fringe benefits include low-cost mortgage facilities and a company pension scheme.

Applications with curriculum vitae to the Investment Manager,
H. T. W. Janson,
Provincial Insurance Company Limited
222 BISHOPSGATE, LONDON EC2M 4JS.

Commercial Executive-Export

London W.1. nr. Piccadilly Circus **DORMEUIL**

DORMEUIL LIMITED, who are probably the largest firm of Woollen Merchants in the world, with an internationally renowned brand name for textiles, mainly in men's suiting material made principally of worsted, wool and mohair, have a vacancy for a Commercial Executive to head the European Sales Office. Export sales, which form the main part of the Company's business, are made both through overseas Associates and direct to customers. The Commercial Executive-Export will report to a Director and initially be responsible for:—

- Administration, organisation and development of sales and distribution to customers in Western and Eastern Europe and North Africa.
- Reporting on European Associates based on monthly returns from those Associates.

Responsibility for selling will be progressively assumed based on the successful fulfilment of the initial duties. Promotion prospects are good. Candidates should have experience of export sales administration and export selling of a consumer product, preferably in a related field. They should be able to interpret simple business returns and report on their interpretation of those returns.

The ability to work in French, German or other European language is important, and experience in textiles would be a considerable advantage.

Age range 30 – 37 years. Remuneration will be negotiable, dependent on ability and experience. Please write stating age, current salary and how you meet our Client's requirements quoting reference CEJ4004/FT on both letter and envelope. Men and women are invited to apply. No information will be disclosed to our Client without permission.

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Senior Financial Analyst

Multinational Food Group Italy

W. R. Grace & Co., one of the world's leading multinational corporations, have an exceptional opportunity for a Financial Analyst to join one of their subsidiary companies, *"Banila S.p.A."* based in Parma, Italy.

Banila, with annual sales of \$250 million, is among Italy's major suppliers of processed foods and holds market leadership in several important segments. The company is extremely advanced technologically and is undertaking an aggressive programme of expansion through further diversification into convenience foods, which will be sold both in Italy and throughout the world. The capital investment involved will be some \$20 million in the next two years alone, requiring detailed financial analysis using the Company's sophisticated computerised management information system.

This expansion has created the need for an additional Senior Financial Analyst to join an existing multinational team responsible for preparing meaningful business proposals for submission to Grace headquarters in New York.

The ideal candidate is seen as aged between 23 and 27 with a background in financial analysis and/or accounting, who wishes to make a career within a multinational organisation. Highly developed writing skills and the ability to communicate with all levels of management are considered essential.

The position carries an extremely attractive salary and benefits package, plus a terminal gratuity of one month's salary for every year of service.

Parma is a very pleasant and cultured city at the foot of the Apennine mountains, less than 1 hour's drive from the Italian Riviera and the nearest ski resorts. In addition, it is Company policy to provide suitable lessons on the Italian language for non-Italian speaking staff.

If you wish to take advantage of this outstanding opportunity please send full career and personal details to:

D. Dewell, Group Personnel Manager, W. R. Grace Ltd., Northdale House, North Circular Road, London NW10 7UH. Preliminary interviews will be held in London.



GRACE


INVESTMENT ANALYSTS

Due to expansion, the Standard Life Assurance Company has vacancies for Investment Analysts at its Head Office in Edinburgh. The Company is the largest Mutual Life Assurance Company in the European Community with invested funds which exceed £2,000 million and which have been doubling every six or seven years.

Ideally candidates should hold a degree and/or a professional qualification and preferably have practical investment experience as well as theoretical knowledge.

Commencing salary will be based on qualifications and experience. The Company operates generous employee benefit schemes including Staff House Purchase Scheme, non-contributory Pension and Life Assurance Scheme, flexitime work, dining room facilities etc.

Applications should be made in writing to:



Standard Life
3, GEORGE ST., EDINBURGH.

senior transport economist

with 7 years experience minimum

To strengthen its Transport Studies Department.

Candidates must possess a good knowledge and one or more solid references of studies related to transport planning and organisation at the national and regional levels; preferably in a developing country.

Fluency in French is required.

The candidate's first long term assignment is expected to be in French speaking Africa.

Interested applicants are requested to send very detailed resumes and desired remuneration to the attention of Nathalie Barraud, LOUIS BERGER SARL, 71 rue Fondary, 75015 Paris.

Contract Administration & Financial Management Commercial Manager

North Wilts

Emerson Electric Industrial Controls, a profitable subsidiary of a major U.S. Corporation, sells high value capital equipment to a wide range of customers in the U.K. and overseas. Exports account for over 60% of the Company's total sales.

We now require a Commercial Manager, reporting to the Managing Director, to control contracts from the initial establishment of financial terms, right through customer liaison to final cash collection.

The man or woman appointed is likely to have a background in international contract administration and credit management. Familiarity with electrical engineering would be an advantage.

A generous salary and benefit package (including company car and relocation expenses where necessary) will be offered.

Applications in writing, giving full career details, should be sent to the Managing Director, Emerson Electric Industrial Controls Ltd, Elgin Drive, Swindon SN2 6DX.

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(SALARY + PROFIT SHARE)

Wanted for recently acquired leather goods factory in south-west, manufacturing goods of the highest quality. Turnover £0.25m, currently breaking into new growth possibilities. U.K. and export. Challenging opportunity for individual enterprise. Specific education, age or experience not required. Applicants selected for interview will be notified within 14 days. Detail C.P.S. 10.
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As a small 2 1/2 year old company trading as 3 specialist consultancies we seek an ambitious person 25-32 to take over responsibility for our established name for Executive Recruitment in the City. If you are keen to utilize your City knowledge and run your own enterprise for excellent profit related remuneration please contact the M.O. 01-598-8468, or write to 33 Edincombe Road, London, SW6.

Expanding Stockbrokers

In London Wall have vacancies in their general office for clerks with some S.E. office experience, age 17-20, they also have a vacancy for persons with Arbitrage/Foreign settlement experience, age 20+, salaries for both positions are negotiable and are plus the usual fringe benefits.

Write giving age and experience to: Box A.8277, Financial Times, 10, Cannon Street, EC4P 4BY, or Phone 025 9785 for an appointment.

COMPUTER AUDITOR

Major International Bank currently expanding its audit operations in the UK seeks to appoint an additional computer auditor to its small computer audit section, whose responsibilities include the review of projects under development and the formal audit of data centres.

The ideal applicant will have experience of IBM installations in a banking environment as a computer auditor, although an analyst without audit experience would be considered. The remuneration package is in the region of £7,500 p.a., plus generous fringe benefits.

Applications will be treated in confidence and should be submitted in writing, giving full details of experience and qualifications, to Box A.8641, Financial Times, 10, Cannon Street EC4P 4BY.

INTERNATIONAL COMPANIES and FINANCE

CHEMICAL COMPANY RESULTS

Fibres emerge as focus of recovery

BY DAVID LASCELES IN NEW YORK

DU PONT DE NEMOURS, the largest U.S. chemical company, dominated the field in more than one sharp 46 per cent increase in profits to \$786m, which was a lot more than its main competitors.

sales, it has been specially hard hit by the weakness of the market in the past five years. In 1978 textile fibre sales were 38 per cent of Dupont's total, yielding 42 per cent of corporate earnings.

1—Customers' inventory corrections which had led to a painful cutback in demand for fibres have now been reversed, meaning that stocks are being increased rather than depleted.

2—Synthetics are picking up a fibres rose 7 per cent last year, Mr. Meltzer says, which may not be substantial but at least it is not a decline.

3—The slump in fibres forced many producers out of the business, meaning the production capacity is now in better balance with demand.

cries as "a turnaround" in Europe, its largest overseas market, which helped both volume and price. As in the U.S., the strongest trends are in industrial and carpet fibres, with apparel fibres still lagging.

Du Pont's initial earnings report attributed this to "solid gains" in the chemicals, plastics and specialty products business, and "encouraging results" with fibres.

So long as the market weakness persisted, Dupont had no alternative but to launch a ruthless cost-cutting exercise to keep its fibres business afloat.

4—The major chemical companies in the U.S. have experienced a strong upturn in earnings based on impressive profitability in their respective fibres divisions.

5—Dupont itself reports that the strongest demand lies in carpet and industrial fibres, but that pace of housing construction slows.

Analysts also warn that even if fibre sales continue to improve, it will be some time before earnings give companies an adequate return on their investments.

But looking beyond the recession, the fibres industry's painful shake-out in the last few years could put the survivors in a strong position in the early 1980s.

The message behind these figures seemed to be that the long-lagging fibres business had finally picked up.

Last year, however, the market itself began to strengthen, providing Dupont with the opportunity to increase both the volume and price of its fibre sales.

6—The market for apparel and home fabrics (which accounts for half of Dupont's textile fibre sales) is still mixed.

7—Dupont's fibre business was also helped by what it describes as "a turnaround" in Europe, its largest overseas market.

8—The market for apparel and home fabrics (which accounts for half of Dupont's textile fibre sales) is still mixed.

9—Dupont's fibre business was also helped by what it describes as "a turnaround" in Europe, its largest overseas market.

Atlantic City attracts the bulls

BY DAVID LASCELES IN NEW YORK

INVESTORS and developers are equally bullish about the prospects for New Jersey's budding casino industry in Atlantic City, despite the questions hanging over the State's international application for a permanent licence.

Resorts, still the only casino operator in Atlantic City, has a temporary licence which is due to expire on February 26. But its application for a permanent licence is being opposed by the state gaming enforcement commission on the grounds of its past associations and alleged racial malpractices.

that will seriously damage Resorts' chances of getting a permanent licence.

things keep coming out, but nothing that would cancel current gaming plans.

NEW YORK — Moore McCormack Resources, the iron ore and coal industry transport group, has recorded a sharp rise in net earnings for 1978.

U.S. bonds show further weakness

Resorts' shares stood at \$39 yesterday, their highest level since November, although its casino had just announced a reduced "take" for the month of January (down 3 per cent at \$18.6m). It also headed the most active list on Tuesday.

Resorts' application fails, other companies will be successful. Moreover, should Resorts be denied a licence, it would still be able to liquidate its Atlantic City assets at a huge profit.

Net earnings for 1978 rose by 42 per cent to \$33.3m, with share earnings of \$5.85 against \$4.13 at \$31.7m, revenues put on 9.8 per cent.

PRICES SLUMPED again on Wall Street's bond markets yesterday morning amid predictions that the Treasury's new long-term bond issue would offer investors record yields of close to 9 per cent.

Mr. Barker concluded that "current prospects for most of the company's major income streams appear favourable. So unless there is a major change in general economic conditions or some unforeseen circumstances arise, we expect that results for 1979 will show a further advance over 1978 levels."

Analysis point to several factors to explain the abrupt change in the mood of the bond market including the renewed pressure on the dollar which makes it even more unlikely that the Federal Reserve Board will ease monetary policy.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these and other bonds see the complete list of Eurobond prices published on the second Monday of each month.

Table with columns for U.S. DOLLAR, STRAIGHTS, CONVERTIBLE, and SWISS FRANC, listing various bond issues with their terms and prices.

Transport demand boosts Moore McCormack profit

NEW YORK — Moore McCormack Resources, the iron ore and coal industry transport group, has recorded a sharp rise in net earnings for 1978.

Net earnings for 1978 rose by 42 per cent to \$33.3m, with share earnings of \$5.85 against \$4.13 at \$31.7m, revenues put on 9.8 per cent.

AMERICAN QUARTERLIES

Table listing financial data for various American companies including Anderson Clayton, Macmillan, Banger Punta, Brown & Shaepe, Columbia Gas System, Concolina, Pitney Bowes, Revere Copper & Brass, Smith International, and Southern Copper.

SEC censures Hutton

E. F. HUTTON, the third largest U.S. brokerage firm, has been censured by the Securities and Exchange Commission, and 13 of its current or former employees have been penalised for violations of federal securities laws in options trading.

RESULTS IN BRIEF

Table summarizing profit gains for various companies including Fox, Emerson Electric, and others.

Honda seeks \$130m with simultaneous convertible bonds

BY NICHOLAS COLCHESTER AND JOHN EVANS

HONDA MOTOR Company is expected to announce shortly that it is tapping at least two and possibly three sectors of the international bond market with simultaneous convertible bonds to raise up to \$130m.

The original plan was for a \$50m convertible with Schroder Waggy and Nikko Securities as lead managers. Deutsche Bank was to organise a DM 100m convertible and Union Bank of Switzerland was to lead an Sfr 80m convertible.

The Tokyo stock market and Honda's own share price, which the future value of all these bonds depends, have both been growing through a nervous phase, triggered partly by Iranian fears and partly by the Japanese Government's recent funding problems.

EUROBONDS

The Deutsche-Mark market also displayed some weakness, with the slightly higher yields on longer-term Government bond issues tending to divert investment interest away from foreign issues.

Memphis

Advertisement for Memphis, capital of the Sun Belt states, with representative operations of Sharp, Datsun, International Harvester, Grace Chemical, Kellogg's, E.I. Du Pont, Caterpillar, General Electric, and corporate headquarters for Bayer subsidiary, Helena Chemical, and Holiday Inns, Inc., among others.

INTERNATIONAL COMPANIES and FINANCE

ICI Australia plans big expansion

BY JAMES FORTH IN SYDNEY

ICI AUSTRALIA plans a \$900m (US\$1.02bn) expansion of its petrochemical activities over the next decade to consolidate its leadership in the industry. The proposal involves a new \$400m ethylene cracker at the existing petrochemical complex at the Sydney suburb of Botany and a completely new \$500m petrochemical complex at Point Wilson, Victoria.

Chemical will abandon an investigation of a petrochemical complex at Redcliffe in South Australia, based on feedstock from the Cooper Basin gas and liquids fields. The South Australian government has been keen for Redcliffe to go ahead and recently obtained approval to borrow up to A\$186m overseas to help provide infrastructure for the project.

ICI expects the ethylene market to grow at 8 per cent annually in the early 1980s and then drop to 6 per cent, reaching 600,000 tonnes a year by 1990. The new Botany plant will have a capacity of 250,000 tonnes a year, but would add only 150,000 tonnes to production, as it is planned to progressively phase-down the existing plant. At this stage Pt. Wilson is expected to have an initial capacity of between 100,000 and 200,000 tonnes per annum.

ICI expects to raise the \$900m required for the expansion plan from a variety of sources. These will include going to shareholders for further equity capital, utilisation of the company's internally generated cash flow and outside borrowing from either local or overseas sources, or both.

India reveals business data on major industrial group

BY K. K. SHARMA IN NEW DELHI

RECENT STATEMENTS by Indian Cabinet Ministers on checking the growth of the large industrial groupings or so-called "monopoly houses" have assumed new significance with the publication of data by the Government of the assets, profits and turnover of the 82 major business groups in the country.

The data, covering the period from 1972 to 1976, show that the House of Birlas, a family-owned concern with some 70 companies under its wing, increased its profit before tax by as much as Rs 730m (about \$90m), its turnover by Rs 5.2bn and assets by Rs 3.85bn. This surpassed the expansion of any other industrial house.

Since statements have been made by some ministers seeking nationalisation of such key industries as automobiles and aluminium—major units of which are owned by Birlas—has been defined as one which by itself, or together with interconnected undertakings, as defined under the Monopolies and Restrictive Trade Practices Act, has total assets of Rs 200m or more.

The published data shows that the Tata group is the largest in India with total assets of Rs 9.8bn, while its turnover increased by Rs 4.45bn between 1972 and 1976. But its profits before tax rose by just Rs 72m during the period for which the data has been published. Some ministers have also recently sought nationalisation of the steel industry. This really implies takeover of Tata Iron and Steel (Tisco) which runs the only privately owned integrated steel plant in the country. There is considerable opposition to the move, mainly because it is Tata-managed rather than Tata-owned and is easily the most efficient steel company in India.

The data shows that the assets of the 82 large industrial houses increased by Rs 33.5bn during 1972 to 1976 and their pre-tax profits by about Rs 5.7bn. A "large industrial house" has been defined as one which by itself, or together with interconnected undertakings, as defined under the Monopolies and Restrictive Trade Practices Act, has total assets of Rs 200m or more.

ZANDPAN GOLD MINING COMPANY LIMITED

(Incorporated in the Republic of South Africa) Interim Report for the Half-Year ended 31 December 1978

Table with columns: Year ended, Half-Years ended, 31 December, 1978, 1977. Rows include: Turnover, Income from fixed investment—dividends, Interest received, Sharedealing profit, Expenditure, Profit, Earnings per share.

FINANCIAL RESULTS The unaudited estimated financial results of the Company for the above period are as follows: No taxation is payable as the Company has an estimated loss for tax purposes. DIVIDENDS PAID OR DECLARED DURING THE HALF-YEAR Final Ordinary dividend No. 12 of 29.5 cents per share amounting to R3 841 000 for the year ended 30 June 1978 (1977—11.5 cents—R1 497 000) was declared in June 1978 and paid on 2 August 1978.

Reunert and Lenz shifts profit centre

BY JIM JONES IN JOHANNESBURG

INCREASING economic activity in South Africa should more than offset the effects of declines in Zambia and Rhodesia on Reunert and Lenz's profits in the year to June 30, 1979. In its interim report for the six months to end-December 1978 the R90m (\$103.4m) turnover mechanical and electrical engineering contracting and merchandising group reported marginally lower first half turnover of R20.4m against R20.8m in the corresponding period.

tracts were brought to account in the second half and the contribution of this activity is expected to be lower this year. At the same time, the Rhodesian and Zambian subsidiaries are making increasingly heavy weather of economic declines in those two countries. Even so South African merchandising operations are picking up fast, helped by new subsidiaries manufacturing heat exchangers and mine blasting barricades. Reunert and Lenz is highly conservative in its financing policies. Debt is a minimal part of its overall capital structure and in the year to June 30, 1978, earnings per share of 98 cents covered the 28.5 cents total dividend 3.3 times.

Pertamina sells its non-oil subsidiaries

JAKARTA — Indonesia's state-owned Pertamina Oil Company has divested itself of all non-oil subsidiaries in a move to wipe out the last traces of the scandal that nearly bankrupted the enterprise in 1976, according to president-director Piet Haryono.

Mr. Haryono told parliament that Pertamina has cut its ties with its former airline service, hotel chain, sea transport, telecommunications service and fertilizer company. Pertamina had to be bailed out by the Government in 1976, when it "ran into" serious liquidity problems and was left with debts of almost \$3bn.

In his statement to parliament, Mr. Haryono said that Pertamina had not yet determined how the divesting would affect the company's financial situation. Pertamina was pushing hard to attract more foreign and domestic investors to enable the company to meet its ambitious production goals over the next five years, he said. At present, Indonesia's oil production is down to 1.6m barrels a day from a record 1.7m barrels early last year, and the mining ministry has predicted another drop of about 5 per cent this year.

PHILIPPINE COMMODITIES

Divestiture by Ayala

BY LEO GONZAGA IN MANILA

AYALA CORPORATION, the real-estate based conglomerate which has just sold its majority holding in the Legaspi group of coconut-based companies, suffered a slide in both sales and profits last year. Preliminary figures show that Ayala's net profits declined by 10 per cent to 130.1m pesos (\$17.7m) from 143.1m pesos, although this was a gentler fall than the 17 per cent by which sales declined to 223.4m pesos from 272.4m pesos.

plummeted to 1.2m pesos in 1977. Last year's figure is not yet available, but the company is believed to have incurred a net loss. During a recent meeting between foreign businessmen and President Ferdinand E. Marcos, there was promise of relief for the coconut oil milling industry. Mr. Marcos said he would raise 6 to 7 per cent the present 7 per cent tax on copra exports. The President added that he was also considering the possibility of removing the current 4 per cent tax on coconut oil exports. The twin measures still have to be finalised into Presidential decree form, but industry quarters at this point are uncertain how effective the relief will be.

One likely reason for the drop in investment income, which helped to pull down the Ayala result, was the unfavourable turn in the fortunes of Legaspi Oil Company, the leading unit in the six-member Legaspi group. Ayala also earned less from its construction activities, though it benefited from a rise in interest income. Ayala bought Legaspi Oil from a group of American investors in 1974. There was a commodity market boom then, but several individuals and entities were divesting even in areas not covered by the 60 per cent minimum Filipino ownership requirement because of the expiration in July of that year of the so-called party rights for Americans in the Philippines. Legaspi, a crude coconut oil miller and exporter, earned \$2m pesos net in 1976 and \$2m pesos in 1977.

Bank of China details foreign banking links TOKYO — The Bank of China has established correspondent relations with 323 banks and their 2,277 branches in 139 foreign countries and regions, Peking's official Hsinhua News Agency said. During the last two years, Hsinhua said, the bank has introduced or expanded such international monetary services as inter-bank deposits, buyers' credits and bank credits. Last year, 75 foreign banks sent delegations to China, the Peking report said.

Steelbrite makes higher loss in first six months

BY OUR JOHANNESBURG CORRESPONDENT

STEELBRITE, the troubled South African manufacturing subsidiary of Johannesburg Consolidated Investment (JCI), made a trading loss of R1.7m (\$1.34m) in the six months to end-December, compared with a smaller deficit of R152,000 in the same period of the previous year. JCI said, when announcing its 65 cents a share offer to the 46.3 per cent minority holders of Steelbrite, that the latter was budgeting for a R2m loss.

In the year to June 30, but the latest results appear to put this estimate on the low side. At present there are few signs of an imminent improvement in South African housing starts, so that Steelbrite is operating in an increasingly competitive market. Although it has cut back on staff and begun tidying up its balance-sheet through sales of plant and equipment, a recovery could take anything up to two years.

Japanese banks asked to restrain lending for land

TOKYO — The Japanese Finance Ministry said it has asked Japanese financial institutions to apply self-restraint in lendings to real estate agents and other borrowers for land acquisitions.

In a verbal statement to representatives of the Federation of Bankers' Associations and other organisations, Mr. Hiromi Tokuda, director of the Banking Bureau, said that banks should act in line with the Ministry's circular issued in November 1972, in a previous period of inflation in Japan, against loans for speculative purchases of land, the Ministry said. The circular was issued after the Ministry found cases of possible lendings for speculative land purchases in hearings with individual banks, but this time no such hearings have so far been conducted, the federation said. The governor of the Bank of Japan, Mr. Teiichiro Morinaga,

also told a Press conference that the bank was urging Japanese financial institutions to use caution in lendings for land acquisitions. A survey by the bank showed that loans to real estate agents have increased to a level about 10 per cent above a year ago, compared with the previous year-on-year increase of 3 to 6 per cent in calendar 1977 and 8 to 9 per cent in 1978, he said. He also said that land prices in the metropolitan area had risen considerably in recent months. Mr. Morinaga also said that the Bank of Japan would have to shift the emphasis of its policy gradually to preventing price increases rather than encouraging business recovery. For the time being, however, the bank will continue its present easy-money policy, at the same time getting ready to adjust its policy flexibly whenever necessary, he said.

Rothmans Malaysia ahead

BY WONG SULONG IN KUALA LUMPUR

AFTER SUFFERING a 10 per cent drop in profits during the last financial year, Rothmans of Pall Mall Malaysia has managed to check the slide, and recorded a modest increase in profits of 6.9 per cent for the first half ending December. The group's net profit of 5.87m ringgits (\$2.7m), compared with 5.50m ringgits previously, was achieved on a 1.5 per cent increase in turnover to 114m ringgits.

The board said that improved profitability was expected to continue during the second half. TFACHOT, Israel's largest mortgage bank, reports that its net earnings in the first half of the current fiscal year rose by 84 per cent nominally, and by 20.4 per cent in real terms.

Weekly net asset value on February 5th 1979 Tokyo Pacific Holdings N.V. U.S. \$66.33 Tokyo Pacific Holdings (Seaboard) N.V. U.S. \$48.33 Listed on the Amsterdam Stock Exchange Information: Pearson, Holding & Pierson NV Herengracht 214, Amsterdam.

VONTobel EUROBOnd INDICES 145.76=100% Table with columns: PRICE INDEX, AVERAGE YIELD, and rows for OM Bonds, HF Bonds & Notes, U.S. & Str. Bonds, Can. Dollar Bonds.

Province of Manitoba (CANADA) US\$75,000,000 9 1/2% Debentures 1989. The following have agreed to subscribe or procure subscribers for the Debentures: Wood Gundy Limited, Union Bank of Switzerland (Securities) Limited, Kredietbank International Group, Orion Bank Limited, N. M. Rothschild & Sons Limited, Banque Nationale de Paris, Merrill Lynch International & Co., Richardson Securities of Canada (U.K.) Limited, Westdeutsche Landesbank Girozentrale.

PIRAIKI-PATRAIKI COTTON MANUFACTURING COMPANY, INC. Athens U.S. \$12,500,000 Medium Term Loan managed by Bankers Trust International Limited, Manufacturers Hanover Limited, provided by BT Asia Limited, Chase Manhattan Limited, Grindlay Brandts Limited, Manufacturers Hanover Bank (Guernsey) Limited, Norddeutsche Landesbank International S.A. December 1978.

INTL. COMPANIES and FINANCE

Reliance Group... 1978... Our Best Year Ever!

Year Ended December 31	1978	1977
Revenues	\$1,239,575,000	\$1,117,397,000
Operating income from continuing operations before income taxes and minority interests	\$ 138,685,000	\$ 101,439,000
Provision for income taxes	(36,043,000)	(33,807,000)
Minority interests	(10,573,000)	(9,917,000)
Operating income from continuing operations	\$2,069,000	\$7,715,000
Net realized gain on insurance investments	8,985,000	4,008,000
Income from continuing operations	101,054,000	61,723,000
Discontinued operations	(1,078,000)	(3,098,000)
Income before extraordinary income	99,976,000	58,625,000
Extraordinary income	2,848,000	23,667,000
Net income	\$ 102,824,000	\$ 82,292,000
Per-share information:		
Operating income from continuing operations	\$8.49	\$6.57
Net realized gain on insurance investments	.89	.52
Income from continuing operations	9.38	7.09
Discontinued operations	(.10)	(.40)
Income before extraordinary income	9.28	6.69
Extraordinary income	.28	3.09
Net income	\$9.56	\$9.78
Average number of common and common equivalent shares outstanding	10,069,000	7,679,000

Through repurchases of 4.7 million common shares, including 3.6 million purchased in October 1978, Reliance Group has reduced the number of common and common equivalent shares outstanding from 13.7 million on June 30, 1978 to approximately 9.0 million at present.

Reliance Group Operations—Year Ended December 31, 1978

INSURANCE		Property and Casualty Operations, U.S. Reliance Insurance Company, Philadelphia General Casualty Company of Wisconsin, Madison United Pacific Insurance Company, Tacoma
Revenues	\$1,079,048,000	
Divisional Pretax Operating Income:	\$ 116,218,000	Property and Casualty Operations, International Pilot Insurance Company, Toronto
		Life and Health Operations, U.S. Reliance Standard Life Insurance Company, Philadelphia United Pacific Life Insurance Company, Tacoma
		Title Operations, U.S. Commonwealth Land Title Insurance Company, Philadelphia
CONTAINER LEASING		Container Leasing Operations, Worldwide C.T.I.—Container Transport International, Inc., New York
Revenues	\$ 111,490,000	
Divisional Pretax Operating Income:	\$ 37,241,000	
MANAGEMENT SERVICES		Consulting Operations, U.S. Fuel & Energy Consultants Inc., New York Moody International, Inc., Pittsburgh ORU Group, Inc., New York Werner Associates, Inc., New York Yankelovich, Skelly and White, Inc., New York
Revenues	\$ 41,730,000	
Divisional Pretax Operating Income:	\$ 3,270,000	Consulting and Software Operations, International Inbucon Limited, London Fuel & Energy Consultants Limited, London Leasco Software Limited, Maidenhead Moody International, Ltd., London Werner International, Brussels

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America's many attractions for foreign investors

BY DAVID LASCELLES IN NEW YORK

FOREIGN businessmen are making the most of their opportunities to snap up American assets at a time when the dollar is having a rough passage.

In fact the more favourable exchange rate probably had less to do with it than is widely supposed. But acquisitions last year sharply accelerated, a trend which has been visible since the early 1970s and has made foreign investment a force to be reckoned with in the U.S. economic scene.

Last year saw one of the most dramatic foreign spending sprees the country has witnessed. Foreigners set new records for investment in manufacturing and banking, and probably in retailing too (if a large West German deal comes off). They bought up hotels, real estate and housing on a scale that was compared (not quite justifiably) with the Arab invasion of the London property market.

Oae Wall Street investment banker who has been deluged with foreign merger business in the last 12 months said: "The U.S. has become the bargain basement of the world." In fact, foreign acquisitions reached such a pitch that Congress passed a bill to curb the activities of foreign banks. Many Americans are confused by the conflict between patriotic alarm against and their equally strong commitment to free enterprise.

Typical recent acquisitions included the Hong Kong and Shanghai Bank's \$260m stake in Marine Midland, the Cavendish group's \$150m bid for Colonial Stores, B.A.T.'s \$200m purchase of Appleton Papers; and the German Flick group's decision to increase its stake in W. R. Grace, the fifth largest U.S. chemical company, from 12 to 31 per cent at a cost of \$225m.

Newweek, in a recent survey of the surge of foreign investment entitled "The Selling of America," said that foreigners now lease 60 per cent of Manhattan's exclusive Fifth Avenue shopping mile.

According to the New York Conference Board, a business research organisation, foreigners announced 353 investment projects in manufacturing in 1978, the greatest number since the last war, and probably the greatest ever. Complete figures are not collated, but the Commerce Department, which put foreign investment in the U.S. at an aggregate \$310bn in 1977 (excluding securities, homes, and small businesses) has just launched a survey to put together a full picture which is expected to show a sharp rise.

The current state of the dollar is not—as is popularly supposed—the only, or even main reason for the fashionableness of a U.S. acquisition. A survey of foreign investors by a New York bank threw up more than a dozen, many of them (like "the size of the U.S. market") relating to less fleeting considerations than the dollar's fortunes. Furthermore, investment is not only coming from countries with strong currencies, which suggests that the relative price of U.S. assets is not decisive in investment decisions. Britain, France and Canada were just as active as Germany and Japan.

All this leads observers to argue that the surge could mark

something more substantial than a rush for the January sales. For instance, Citibank, New York's largest, has just set up a new department to handle the financing of foreign acquisitions. And most foreign banks view this business as a major reason for opening up U.S. operations of their own.

The survey puts foreigners' motives into four broad categories.

1—Size. The market of 220m is roughly as big as the EEC, the U.S. still has the advantage of a uniform language, legal system, government policy, and accounting requirements. It also enables producers to achieve much higher productivity gains, hence better profit performance, than elsewhere, helped by the ready availability of manage-

ment, technology, and labour, expanded into Europe, partly because the U.S. was a good place to do business.

2—Stability. Most foreign businessmen view the U.S. as the last bastion of free enterprise, with stable government, investment security, a well-defined legal process, and relatively little labour unrest.

3—Fear of U.S. protectionism.

America's problems with cheap imports, particularly from the Far East (though also from Europe with such things as steel) is an incentive to be on the right side of import barriers, if they come. This fear is probably exaggerated, but it would weigh in a finely balanced decision. Attempts have been made to legislate against foreign takeovers, but none has so far succeeded, though foreigners are barred from buying into sensitive sectors like defence and broadcasting. Last year's International Banking Act reduced the scope for foreign banks in the U.S.—but by plugging gaps in the law which gave them special privileges rather than by discriminating against them. As a consolation the Act promised to "grandfather" or leave untouched existing foreign bank operations which explains last year's banking takeover scramble as Europeans and Japanese raced to beat the deadline.

“The U.S. market is so big that you only have to have a small share of it to pick up a very large chunk of business.”

fact, the whole deal fell through. But not long ago, it might never have occurred to a U.S. investment bank to interest a foreign concern in a domestic takeover. In fact, foreigners are welcome participants in takeovers since they normally pay a premium to get into the U.S. market, willingly or not.

But with most of the giant European and Japanese corporations already in the U.S., and banks now restricted, where are the future investors to come from? Mr. Michael Cannon-Brookes, an Englishman who heads Citibank's new Foreign Acquisitions Department, argues that the trend had already moved strongly towards medium-size companies, and he expects most of his work to be in this area.

"The U.S. market is so big, you only have to have a small share of it to pick up a very large chunk of business," he said. The main problem, he believes, is that the smaller companies have less international experience, and need more help and advice. Some have never heard of anti-trust laws and take offence when their plans run foul of them.

Typical of stringent U.S. legislation is the newly-passed Hart-Scott-Rodino Act on takeovers which requires companies making acquisitions over a certain size to disclose information about themselves, their finances and their motives. Although the information is treated confidentially, the act could discourage takeovers from countries with less severe disclosure laws. So far, however, there is no evidence of this happening.

Although the New York banks are bound to be bullish about the prospects for U.S. investment since this has become a large part of their bread and butter, their view seems to be widely shared in industry. A British magazine, the Annual Investment File, has just reported that big European companies overwhelmingly favour the U.S. as a place to do business. The major European countries came very poor seconds, all of which seems to suggest that the flow of capital eastwards across the Atlantic may finally have been reversed.

Whatever their motives, foreigners have been a big factor in the merger wave which has swept the U.S. in the last two years. According to Mr. James MacLane, of Citibank's merchant banking group, "from our experience, half the potential buyers in any merger or sale situation today are foreigners."

Another Wall Street merger specialist reports that during Occidental's recent \$1bn takeover battle for Mead, the large forestry products company, a competing bid was sought not in the U.S. but in Europe. In

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BUSINESS AND MANAGEMENT COURSES

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EDUCATIONAL

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CURRENCIES, MONEY and GOLD

Dollar continues to decline

The recent deterioration of the dollar showed no signs of abating yesterday, as confidence in the currency evaporated. After opening at its best level against most currencies, it eased right through the day, and in the hour or so fell sharply, as New York carried on the bearish trend. The continued crisis in Iran was seen as the main factor behind the dollar's poor performance and its trade weighted average depreciation on Morgan Guaranty figures, at noon in New York, widened to 9.1 per cent from 8.4 per cent on Tuesday. On Bank of England figures its index fell from 84.4 to 83.6.

Against the D-mark it fell to DM 1.8310 before closing at DM 1.8300, against DM 1.8260 previously. Similarly against the Swiss franc it touched a low point of Sfr 1.6500, before closing at Sfr 1.6555, sharply lower than Tuesday's finishing level of Sfr 1.6590. The Japanese yen showed a strong improvement to Y195.50 from Y190.00, while the French franc rose to FF 4.2225 from FF 4.2712. Various central banks may have intervened from time to time in support of the dollar and the Fed entered the market in New York in an attempt to arrest the decline.

Sterling opened at \$2.0040 and rose steadily during the day to touch a high point of \$2.0177 in the afternoon. The dollar was falling sharply. It closed at \$2.0125-2.0145, a rise of 1.9c. Its trade weighted index rose to 83.5, a level held all day, from Tuesday's close of 83.4.

FRANKFURT—In line with its performance in other centres, the dollar fell sharply yesterday, and was fixed at DM 1.8368, well down from Tuesday's level of DM 1.8600. During the morning it touched DM 1.8450 and this probably persuaded the Bundesbank to lend a hand, although not on any appreciable level. Trading was described as active, with the U.S. unit affected by the continued sharp rise in the dollar price.

NEW YORK—In early trading, the dollar continued to weaken

THE POUND SPOT FORWARD AGAINST £

Table with columns: Feb. 7, Day's Spread, Close, One month, % p.a., Three months, % p.a. Rows include U.S. \$, Canadian \$, Guilder, etc.

THE DOLLAR SPOT AND FORWARD

Table with columns: Feb. 7, Day's Spread, Close, One month, % p.a., Three months, % p.a. Rows include U.K., Ireland, Canada, etc.

CURRENCY RATES CURRENCY MOVEMENTS

Table with columns: February 6, Special European, U.S. Dollar, etc. Rows include Sterling, U.S. dollar, Canadian dollar, etc.

OTHER MARKETS

Table with columns: Feb. 7, £, \$, ¥, etc. Rows include Argentina Peso, Australia Dollar, Brazil Cruzeiro, etc.

EXCHANGE CROSS RATES

Table with columns: Feb. 7, Pound Sterling, U.S. Dollar, etc. Rows include Pound Sterling, U.S. Dollar, Deutsche Mark, etc.

EURO-CURRENCY INTEREST RATES

Table with columns: Feb. 7, Sterling, U.S. Dollar, etc. Rows include 180 short term, 7 day's notice, etc.

INTERNATIONAL MONEY MARKET

Paris call money firmer

European interest rates were generally firm yesterday, with call money in Paris rising to 7 per cent, the highest level since January 15. The rise from 6 1/2 per cent a week ago has been brought about by the failure of the Bank of France to intervene during a period of tight liquidity. The authorities are expected to inject liquidity into the market sometime this week, and call money should then retreat back to around the 6 1/2 per cent level. The rate is likely to remain between 6 per cent and 7 per cent in the immediate future, unless an adjustment is brought about by movements in the foreign exchange market. Earlier this month the Economics Minister said that no fall in interest rates is envisaged.

UK MONEY MARKET

Nervous trading

Nervousness about a possible rise in Bank of England Minimum Lending Rate in the near future continued to influence the London money market yesterday. Three-month money in the interbank market rose to 13 1/4 per cent from 13 1/8 per cent and other rates were also firmer, although market sentiment seemed to point towards a probable holding of MLR at 12 per cent for this week at least. Day-to-day credit was in slightly short supply yesterday, and authorities gave a small amount of assistance by buying a small number of Treasury bills, and a small amount of local authority bills from the discount houses.

LONDON MONEY RATES

Table with columns: Feb. 7, Sterling, etc. Rows include Overnight, 2 days notice, etc.

GOLD Record level

Gold continued its dramatic rise in the London bullion market yesterday and closed 56 1/2 firmer at a record closing high of \$250.251, easily beating the previous record of \$244.245 set on October 30 last year. The metal opened at its low point for the day of \$245.346 and improved in very active trading, principally on the weakness of the dollar. At the morning fixing the metal stood at \$249.00 and rose to \$251.60 at the afternoon fixing. It reached an all-time high soon after of \$251.262, and with the opening of New York markets, gold continued to climb. In Frankfurt the 12 1/2 kilo bar was fixed at DM 14,830 per kilo (\$249.74 per ounce) compared with DM 14,500 (\$242.87) on Tuesday.

MONEY RATES

Table with columns: February 7, February 6. Rows include Gold Bullion, Gold Coins, etc.

MONEY RATES

Table with columns: New York, FRANKFURT, JAPAN. Rows include Prime Rate, Fed Funds, etc.

SPECIAL DEVELOPMENT AREAS

Advertisement for Ace Kilbride featuring a hand holding playing cards and the slogan '...and one up our sleeve.' Includes text about company services and contact information.

IMPORTANT NOTICE

TO USERS OF THE SCALEXTRIC MODEL CAR RACING SYSTEM

A defect has been reported in a small number of Scalextric hand speed controls that were manufactured, during 1978 that could render them unsafe. Members of the public who have purchased a Scalextric set or a separate hand speed controller at anytime between 1st March 1978 and 7th February 1979, are strongly advised to have them examined immediately at any Scalextric Service Dealer. If necessary he will replace your controller free of charge. The name and address of your nearest Service Dealer can be found in the service sheet included in each set. Alternatively your local Scalextric Retailer will be able to advise you of the address of your nearest Service Dealer.

COMMODITIES AND AGRICULTURE

Cocoa prices move lower despite late rally

BY RICHARD MOONEY

COCOA PRICES on the London futures market fell sharply yesterday morning with nearby positions declining the £40 permissible daily limit.

and the Cameroons. The market appears to be finding difficulty in sustaining rallies at the moment but seems equally reluctant to see a further decline below recent ten-month lows.

Nine of the less controversial articles of the draft text have been agreed at working group level, but most of the draft has yet to be discussed in depth.

A RISE in its U.S. domestic copper price from \$4.50 to 90 cents a lb was announced last night by Asarco.

U.S. copper price up to record 90 cents.

BY JOHN EDWARDS, COMMODITIES EDITOR

This confirmed London market views that the main reason for yesterday's rise in platinum was the weakness of the dollar.

MINOR METALS

Shot in the arm for vanadium

BY PAUL CHEESBRIGHT

AN EXTRA order from Japan, and the taking up of a Brazilian option, have given a welcome boost to vanadium metal used in steel alloys.

For a time it has just been operating with the large kiln. The three small kilns are still out of action.

the market leader could slash prices to encourage demand. But group executives acknowledge that Union Carbide has too much financial muscle to make it worthwhile engaging in a price war.

Milk tax opposition growing

BY MARGARET VAN HATTEM IN BRUSSELS

DESPITE THE relatively pleasant atmosphere at this week's Farm Ministers meeting, which ended on Tuesday night, it is already clear that a first-class row is brewing over the EEC Commission's proposals for a progressive tax on milk production.

daughters—there will be a coefficient of two, adding two percentage points to the tax for each one per cent increase in output compared with the two-year base period 1977/78 and 1978/79.

afford it, or have not yet gone into the arithmetic. West Germany stayed quiet at this stage, but is expected to be strongly opposed.

who have few small producers, complain that the exemptions discriminate in favour of efficiency. They want the tax applied uniformly.

EEC white sugar exports higher

By Richard Mooney

THE EEC Commission authorised the export of 57,500 tonnes of white sugar at its weekly tender yesterday. This is the highest level for several months.

World agriculture council planned

BY BRIJ KHINDARIA IN GENEVA

A NOVEL plan to create an international agriculture council which would periodically bring together ministers and senior officials to discuss global and regional food market problems could have a major effect on world trade.

The council will be the follow-up forum to the Tokyo round, designed to deal exclusively with such farm trade problems as the stabilisation of food prices, the need to protect farmers' incomes, expansion of agricultural trade and making sure that the world has enough food to meet crisis situations.

halances, particularly between the developed and developing world, which have created situations where some countries starve while others destroy their food surpluses to prevent prices from plummeting, are at the root of the council's creation.

BRITISH COMMODITY MARKETS

Table with columns for Base Metals (Copper, Zinc, Lead, Tin, Nickel, Silver) and Commodity Futures (Wheat, Barley, Oats, Beans, etc.)

Table with columns for Rubber, Sugar, Coffee, Cocoa, and Grains (Wheat, Barley, Oats, Beans, etc.)

COCOA

Table showing cocoa prices for various grades and origins (Cocoa, Cocoa Beans, etc.)

RUBBER

Table showing rubber prices for different types (RSS, SBR, etc.)

SUGAR

Table showing sugar prices for various grades and origins (White Sugar, etc.)

PRICE CHANGES

Table showing price changes for various commodities (Metals, Rubber, Sugar, etc.)

AMERICAN MARKETS

Table showing American market prices for various commodities (Cocoa, Rubber, Sugar, etc.)

L.G. Index Limited 01-331 3466. Three month Silver 375.6-378.9

1. Tax-free trading on commodity futures. 2. The commodity futures market for the smaller investor.

Bull Markets in Metals advertisement for Commodity Analysis Limited, featuring a logo and text about trading opportunities.

COFFEE

Table showing coffee prices for various grades and origins (Robusta, Arabica, etc.)

GRAINS

Table showing grain prices for wheat, barley, and other cereals.

WHEAT

Table showing wheat prices for various grades and origins.

MEAT/VEGETABLES

Table showing meat and vegetable prices for various types (Pork, Beef, etc.)

SOYBEAN MEAL

Table showing soybean meal prices for various grades and origins.

COMPANY NOTICE

LOYDS EUROFINANCE NV. Copies of the Report and Accounts of Lloyds Eurofinance NV. at 30th September, 1978 are now available from:

SILVER

Table showing silver prices for various grades and origins.

WHEAT

Table showing wheat prices for various grades and origins.

WOOL FUTURES

Table showing wool futures prices for various grades and origins.

EUROPEAN MARKETS

Table showing European market prices for various commodities.

INDICES

Table showing various financial and commodity indices.

CLUBS

ART GALLERIES

COTTON

LIVERPOOL COTTON

WHEAT

BARLEY

WHEAT

LIVERPOOL COTTON

WHEAT

BARLEY

WHEAT

LIVERPOOL COTTON

WHEAT

BARLEY

WHEAT

LIVERPOOL COTTON

WHEAT

BARLEY

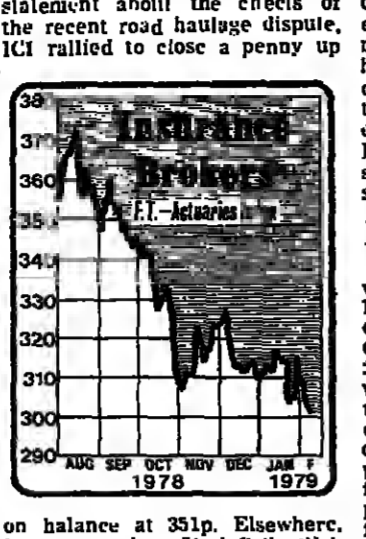
WHEAT

LIVERPOOL COTTON

LONDON STOCK EXCHANGE

Equities resist early fall caused by Longbridge and ICI Gilt weakness continues for eighth successive day

Account Dealing Dates Option First Declara- Last Account Dealings tines Dealings Day Jan 15 Jan 25 Feb 2 Feb 20 Jan 29 Feb 8 Feb 23 Mar 6 Feb 12 Feb 21 Feb 23 Mar 6



where final losses ranged to 1. Corporations were also in reactionary mood, sustaining falls of 1 and sometimes more, while Southern Rhodesian bonds were marked a couple of points lower reflecting business late the previous evening; the 2 1/2 per cent 1965/70 lost that much to 149.

Nevertheless, share prices closed a shade lower overall mainly reflecting a fall in the investment currency premium. The Gold Mines index gave up 1.2 to 182.6, while the export premium index managed a 0.3 gain at 182.6.

Account Dealing Dates Option First Declara- Last Account Dealings tines Dealings Day Jan 15 Jan 25 Feb 2 Feb 20 Jan 29 Feb 8 Feb 23 Mar 6 Feb 12 Feb 21 Feb 23 Mar 6

On balance at 351p. Elsewhere, lower annual profits left Scottish Agricultural Industries 3 cheaper at 180p.

Overseas Traders William Jacks jumped 13 to 41p following an approach to its Australian subsidiary company by an as yet unnamed party.

Among heavyweights, losses of around 1 to 1 1/2 were seen in Vaal Reef, West Driefontein, E21, and Western Holdings, E21, but Barbecost stood out with an improvement of 1 to E14.

However, resistance to further fairly widespread selling of leading and secondary equities began to develop in mid-morning, usually following the closing of professional near positions before the current trading Account ends tomorrow. This development eventually encouraged one or two investment orders with the result that the tenancy gradually improved in the afternoon.

On balance at 351p. Elsewhere, lower annual profits left Scottish Agricultural Industries 3 cheaper at 180p.

Trusts recorded fresh widespread modest losses. Awaiting the preliminary results, due today, Imps rose 2 to 88p.

Another strong rise in base-metal prices encouraged renewed buying of overseas producers. BHP rose 1 1/2 to 110p, while Palabora held steady at 61p following the higher profits and dividend.

The market's struggle to regain a firmer footing was well illustrated by the hourly fluctuations in the FT Industrial Ordinary share index. Down 2 1/2 at the day's worst at 11 a.m., the index was 1 1/2 off at the next calculation and only 0.4 down at 3 p.m. before the close took it into higher ground for the first time in four days with a net gain of 0.4 to 455.2.

On balance at 351p. Elsewhere, lower annual profits left Scottish Agricultural Industries 3 cheaper at 180p.

After being sharply lower overnight U.S. markets, South African Golds staged a strong recovery in London yesterday following the \$8.375 surge in the bullion price to a record closing level of \$250.50 per ounce awaiting the outcome of yesterday's International Monetary Fund auction.

Another strong rise in base-metal prices encouraged renewed buying of overseas producers. BHP rose 1 1/2 to 110p, while Palabora held steady at 61p following the higher profits and dividend.

Of the individual sectors, Oils were again dominant with British Petroleum and Shell leading our list of active stocks but the trend overall was mixed: Shell made no response to the late announcement of an increase of 3p a gallon in petrol prices. Official markings yesterday of 5.055 compared with Tuesday's 5.569 - the highest for nearly five months.

On balance at 351p. Elsewhere, lower annual profits left Scottish Agricultural Industries 3 cheaper at 180p.

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FINANCIAL TIMES STOCK INDICES Table with columns for Index, Date, and Change. Includes Government Secs, Fixed Interest, Industrial, Gold Mines, Ord. Div. Yield, Earnings, P/E Ratio, Dealings, Equity turnover, and Equity bargains.

HIGHS AND LOWS Table with columns for Index, High, Low, and S.E. ACTIVITY. Includes Govt Secs, Fixed Int., Ind. Ord., Gold Mines, and Gold Min.

OPTIONS Table with columns for Dealings, Last Declara- Last Settlem- For Settlement Date, and Share Information Service.

NEW HIGHS AND LOWS FOR 1978/9 Table with columns for Share, Information Service, and Date. Includes various stock categories like Electricals, Engineering, and Chemicals.

RISES AND FALLS YESTERDAY Table with columns for Share, Up Down Same, and Index. Lists various stocks and their daily movements.

APPOINTMENTS Changes at Imperial Tobacco

Mr. W. Davies is to be appointed to the newly-created post of operations director on the Board of IMPERIAL TOBACCO from April 1. He will control production resources planning and remain in charge of personnel.

Mr. P. W. Allsbrook and Dr. Stuart Timperley have been appointed to British Railways Board to the board of its road/rail container transport company, FREIGHTLINERS.

LONDON TRADED OPTIONS Table with columns for Option, Price, Closing, Vol., and Equity Close. Lists various options for April, July, and October.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Table showing Equity Groups & Sub-sections and Fixed Interest Stocks. Includes various stock categories like Capital Goods, Building Materials, and Fixed Interest Stocks.

RECENT ISSUES

Table listing recent issues with columns for Issue Price, P, and High/Low. Includes various bonds and shares.

EQUITIES

Table listing equity prices with columns for Issue Price, P, and High/Low. Includes various shares.

FIXED INTEREST STOCKS

Table listing fixed interest stocks with columns for Issue Price, P, and High/Low. Includes various bonds.

"RIGHTS" OFFERS

Table listing rights offers with columns for Issue Price, P, and High/Low. Includes various shares with rights.

LEADERS AND LAGGARDS

Table showing percentage changes in stock prices. Includes columns for Stock Name, Change, and Index.

LEADERS AND LAGGARDS

Table showing percentage changes in stock prices. Includes columns for Stock Name, Change, and Index.

LEADERS AND LAGGARDS

Table showing percentage changes in stock prices. Includes columns for Stock Name, Change, and Index.

FIXED INTEREST YIELDS

Table showing fixed interest yields with columns for Yield, Term, and Index. Includes various bonds and their yields.

AUTHORISED UNIT TRUSTS

Table of authorised unit trusts including Abbey Unit Tr. Mgrs. (a), Allied Hamble Group (a), and various other trusts with their respective managers and details.

Table of insurance and property bonds including Abbey Life Assurance Co. Ltd., Allianz Life Assurance Co. Ltd., and various other insurance companies.

Table of insurance and property bonds including The London & Manchester An. Co., Sava & Prager Group, and various other insurance companies.

OFFSHORE AND OVERSEAS FUNDS

Table of offshore and overseas funds including Alexander Fund, Allen Harvey & Ross Inv. Mgt. (C.I.), and various other international investment funds.

CORAL INDEX: Close 452.457. Table with insurance base rates and other financial data.

Table with insurance base rates and other financial data.

Table with insurance base rates and other financial data.

Table with insurance base rates and other financial data.

NOTES

DATA 100 FOR COMMUNICATIONS WORLDWIDE

BRITISH FUNDS

Table of British Funds with columns for Name, Price, Dividend, and Yield. Includes sections for 'Shorts' (Lives up to Five Years) and 'Five to Fifteen Years'.

Over Fifteen Years

Table of funds categorized as 'Over Fifteen Years'.

Updated

Table of updated fund data.

INTERNATIONAL BANK CORPORATION LOANS

Table of International Bank Corporation Loans with columns for Name, Price, Dividend, and Yield.

COMMONWEALTH & AFRICAN LOANS

Table of Commonwealth & African Loans with columns for Name, Price, Dividend, and Yield.

FOREIGN BONDS & RAILS

Table of Foreign Bonds & Rails with columns for Name, Price, Dividend, and Yield.

FT SHARE INFORMATION SERVICE

BONDS & RAILS—Cont.

Table of Bonds & Rails (continued).

BANKS & HP—Continued

Table of Banks & HP (continued).

CHEMICALS, PLASTICS—Cont.

Table of Chemicals, Plastics (continued).

ENGINEERING—Continued

Table of Engineering (continued).

AMERICANS

Table of American stocks.

Hire Purchase, etc.

Table of Hire Purchase, etc.

DRAPERY AND STORES

Table of Drapery and Stores.

BEERS, WINES AND SPIRITS

Table of Beers, Wines and Spirits.

BUILDING INDUSTRY, TIMBER AND ROADS

Table of Building Industry, Timber and Roads.

CANADIANS

Table of Canadian stocks.

BANKS AND HIRE PURCHASE

Table of Banks and Hire Purchase.

ELECTRICAL AND RADIO

Table of Electrical and Radio.

Table of Food, Groceries, etc.

Table of Hotels and Caterers.

Table of Industrials (Miscel.).

Table of Industrials (continued).

Table of Industrials (continued).

Table of Industrials (continued).

Table of Industrials (continued).

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Table of Industrials (continued).

FINANCIAL TIMES

Published in London & Frankfurt. Head Office: Bracken House, 10, Cannon Street, London EC4P 4BY.

Frankfurt Office: Frankfurter 69-72, 6000 Frankfurt-am-Main 1.

EDITORIAL OFFICES: Amsterdam, P.O. Box 129, 1000 AA Amsterdam.

EDITORIAL OFFICES: Birmingham, George House, George Road, Tel: 238550.

EDITORIAL OFFICES: London, 10, Cannon Street, Tel: 441 6772.

ADVERTISMENT OFFICES: Birmingham, George House, George Road, Tel: 238550.

SUBSCRIPTIONS: Copies obtainable from newspapers and bookshops worldwide.

CHEMICALS, PLASTICS

Table of Chemicals, Plastics.

ENGINEERING MACHINE TOOLS

Table of Engineering Machine Tools.

FOOD, GROCERIES, ETC.

Table of Food, Groceries, etc.

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Table of Engineering Machine Tools.

FOOD, GROCERIES, ETC.

Table of Food, Groceries, etc.

Table of Industrials (continued).

INDUSTRIALS—Continued

Table of industrial stocks including companies like British Petroleum, Shell, and various engineering firms, with columns for stock name, price, and volume.

INSURANCE—Continued

Table of insurance companies such as Royal Indemnity, Commercial Union Assurance, and others, listing their stock prices.

PROPERTY—Continued

Table of property-related companies and trusts, including various real estate investment trusts and property management firms.

INVESTMENT TRUSTS—Cont.

Table of investment trusts offering various asset classes, such as global equity, income, and balanced funds.

FINANCE, LAND—Continued

Table of financial and land-related companies, including banks, insurance companies, and land investment trusts.

OKASAN SECURITIES CO. LTD. London Branch: Buckingham House, 65-65 Queen St., London EC4R 1AD. Tel: 831121. A/B OKASAN LONDON Tel: 01-248 5747.

MINES—Continued

Table of Australian mining stocks, including companies like Anglo American, Anglo Coal, and various gold and iron ore producers.

Table of tin stocks, listing companies such as Anglo Tin Mines, Anglo Tin Mines Ltd, and others.

Table of copper stocks, including Anglo American, Anglo Coal, and other copper producers.

Table of gold stocks, listing companies like Anglo American, Anglo Coal, and other gold producers.

Table of miscellaneous stocks, including various industrial and service companies.

Table of golds ex-\$ premium, listing various gold mining companies and their premium prices.

Table of teas, listing companies like Anglo Tea, Anglo Tea Ltd, and other tea producers.

Table of central rand, listing various central bank-related stocks and currencies.

Table of eastern rand, listing various eastern bank-related stocks and currencies.

Table of far west rand, listing various far west bank-related stocks and currencies.

Table of finance, listing various financial institutions and their stock prices.

Table of diamond and platinum, listing companies like Anglo American, Anglo Coal, and other diamond and platinum producers.

INSURANCE

Table of insurance companies and their stock prices.

PROPERTY

Table of property-related companies and their stock prices.

TOBACCO

Table of tobacco companies and their stock prices.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land-related companies and their stock prices.

FINANCE

Table of financial institutions and their stock prices.

CENTRAL AFRICAN

Table of central African companies and their stock prices.

REGIONAL MARKETS. The following is a selection of London quotations of shares previously mentioned in regional markets... REGIONAL MARKETS. The following is a selection of London quotations of shares previously mentioned in regional markets... 3-month Call Rates. Table of 3-month call rates for various currencies and regions.

DIAMOND AND PLATINUM. Table of diamond and platinum stocks, including companies like Anglo American, Anglo Coal, and other diamond and platinum producers.

OPTIONS. Table of options for various stocks, including call and put options.

THE COMPLETE CONSTRUCTION SERVICE FOR INDUSTRY... Henry Boot

For Industrial/Commercial Buildings BUTLER offer you... Low • Predictable • Flexibility Cost Cost

TACHOGRAPH RULE BROKEN, EUROPE COURT FINDS

UK guilty over lorry law

BY LYNTON McLAIN

THE EUROPEAN Court of Justice ruled yesterday that Britain had broken EEC rules by failing to enforce introduction of the tachograph...

from the damaging three-week strike by lorry drivers, called on Mr. William Rodgers, Transport Secretary...

record every time the case containing the driver's record sheet is opened. However, a powerful lobby from the trades unions and from individual drivers encouraged the Transport Department...

EEC falling to abide by a ruling. Britain's most likely action is to request a transition period for fitting tachographs on commercial vehicles.

GKN bid for U.S. spares company

By Arthur Smith, Midlands Correspondent

GUEST Keen and Nettlefolds announced yesterday the proposed takeover of a U.S. automotive spare parts distributor with a \$100m annual turnover.

GKN becomes the first European company to establish a significant presence in the U.S. distribution market.

Mr. Clancy said Parts Industries dealt predominantly in U.S. parts, but there were opportunities for it to sell not only GKN components but also products from other European suppliers.

John Wyles writes from New York: Mr. Frank Norbeck, president, chief executive and a major shareholder in Parts Industries, said in Memphis...

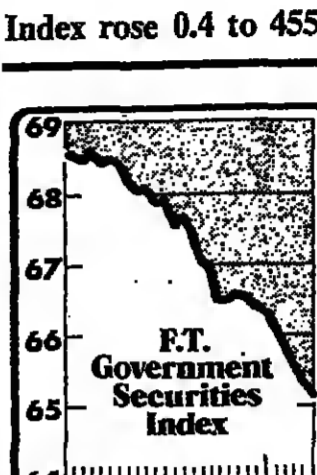
Parts Industries' development has followed the steady expansion of sales and distribution of automotive spare parts.

Mr. Norbeck said that GKN made the first approaches in the autumn after the British company completed an exhaustive survey of the replacement parts market.

THE LEX COLUMN

What ICI lost in haulage strike

Index rose 0.4 to 455.2



With money market rates reaching 14 per cent yesterday the clearing banks will be hoping for a lead from the Bank of England on Minimum Lending Rate at 12.50 p.m. today.

ICI Yesterday's statement from ICI on the effects of the haulage strike, now ended, is said to have been issued so that employees fully understand the effect on the company's business.

Fair enough. But ICI also says that the impact on the group's profits will be "severe" and will have implications for the investment programme.

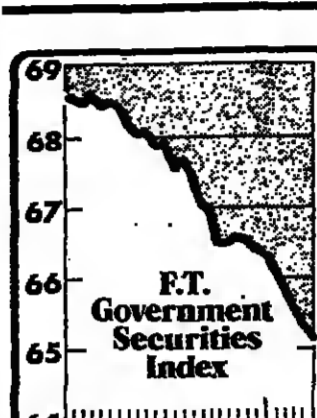
There could be some permanent damage to ICI's credibility as a reliable exporter. But it seems likely that what is really worrying ICI—along with many other companies—is not so much the direct impact of the dispute as the effect of the size of the lorry drivers' settlement on what its own employees will expect.

Sime Darby/Guthrie In December, Guthrie said that its profits in 1978 might not quite match the previous year's £19.6m, but that it expected at least to maintain its dividend.

All this should be easily enough to see off Sime's opening offer, and the betting is now swinging in favour of Guthrie keeping its independence—at least for the time being.

There is still one big unanswered question, which is "whether Guthrie's management is ever going to earn a decent return on all those assets. The suggestion is that the group is at least on the point of making a success out of its diversification away from South East Asia. And it will need to, if the shares are to stay near their current 43p in the absence of a bid. The yield on the basis of the latest estimates is 7.7 per cent, and the p/e is about 15.1.

Index rose 0.4 to 455.2



Public service action stepped up

BY PAULINE CLARK, LABOUR STAFF

INDUSTRIAL ACTION by Britain's 1.5m public service workers will be stepped up further from today. At a meeting yesterday, unions and local authority employers failed to make any headway in the national pay dispute.

They argued at that time that there could be no chance of settling the dispute at that level—a point which was taken up at yesterday's meeting by Mr. Charles Donnan, a leading negotiator in the General and Municipal Workers Union.

It appears that the employers are adamant that ratepayers should not be forced to bear the full brunt of any increase above the level which the Government is prepared to underwrite through the rate support grant.

left talks with the employers to hold a further national co-ordinating committee on industrial action strategy. Whole towns and urban areas are expected to be picked off for all-out strike action from now on but national union leaders say they will leave it to their regional committees to decide on locations.

Dubai finds British dock cranes faulty

By Michael Cassell and Hazel Duffy

A FAULT in the design of two British-built cranes is threatening to delay the full commissioning of the \$250m Dubai dry dock complex.

Engineers have discovered that the two cranes, valued at £4m and supplied by Clark Chapman, part of Northern Engineering Industries, cannot lift as much as the specified 125 tonnes limit.

The dry dock is the world's largest and has been built by the Costain-Taylor Woodrow joint venture. It is to be officially opened by the Queen at the end of this month and will be managed by C. H. Bailey and its subsidiary, Bristol Channel Shipyards.

The complex expected to be fully operational shortly after the opening, is apparently unlikely to start until September.

Serious doubts are being expressed about the future viability of the project. Concern centres on difficulties in attracting business when there is serious overcapacity in repair facilities in the Gulf.

The two huge dockside cranes, 65 metres in radius, were discovered on site to have a structural fault arising out of the original design. Similar drawbacks have been encountered with two Clarke Chapman cranes installed at Swan Hunter's Tyne-side shipyard.

Clarke Chapman said last night that the Dubai cranes "are perfectly capable of operating at a reduced lifting capacity, and will be operating at full capacity after modifications have been completed later in the year."

CBI and Callaghan warn of inflation threat to recovery

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

TWIN WARNINGS about the harm that rising inflation will do to Britain's chances of industrial recovery were issued yesterday by the Prime Minister and the Confederation of British Industry at a meeting of the National Economic Development Council called to review the progress of the Government's industrial strategy.

strategy during the past year, that the strategy's work must carry on throughout the present industrial crisis. But there was, he said, a danger that their efforts might be undermined by inflation.

watch be kept in the coming year, of how successfully industries meet their targets for reducing imports. If the unions feel sufficient progress is not being made, they may renew calls for import controls.

Money market rates up again

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE UPWARD pressure on the cost of borrowing was maintained yesterday with a further rise in money market interest rates.

week since the markets reacted relatively calmly to Tuesday's figures indicating an acceleration in the rate of growth of the money supply.

theory be lending at a loss to top-quality customers which can borrow at 13 per cent. This gap cannot last for long though the clearers may be reluctant to move until a new level of interest rates is established.

France boosts A-power

There have been repeated warnings of further electricity shortages since the December 1978 breakdown, when almost all France lost supplies for four hours. More nuclear power is seen as a way of filling the supply gap and of assuring greater security of energy.

ICI plans hit

various divisions and it is expected that a number of these not now be met as a direct result of the road haulage strike.

Continued from Page 1

At York Trailers, all chances of the company's meeting the £2m profits forecast at the interim stage had been shattered, said Mr. Fred Davies, chairman.

Continued from Page 1

York Trailers, one of the largest manufacturers of truck trailers and containers in Europe, said that it had begun to feel the effects in the middle of November when the strike became inevitable.

Weather

UK TODAY BRIGHT or sunny intervals. Mainly dry. Rather cold. London, S.E. and Cent. S. England, Midlands, N. Wales, N. England.

Sunny spells after freezing fog patches. Max. 3C (37F). E. Anglia, E. England, N.E. England.

Scattered snow showers especially near coasts. Channel Isles, S.W. England, S. Wales.

Sunny spells. Rather cold. Max. 5C (41F). Lake District, Isle of Man, Scottish lowlands, and N. Ireland.

Mainly dry. Sunny intervals. Max. 3C (37F). Borders, Highlands and Islands. Snow showers. Some bright intervals. Max. 0C (32F).

Outlook: Northern areas dry mainly with mist, fog and frost. Generally cold elsewhere.

WORLDWIDE

Table with columns for location, temperature, and weather conditions. Locations include Algiers, Athens, Amsterdam, Bahrain, Barcelona, Beirut, Berlin, Birmingham, Bogota, Brasilia, Bucharest, Buenos Aires, Calcutta, Cairo, Cardiff, Caracas, Chicago, Cologne, Copenhagen, Curitiba, Dublin, Edinburgh, Frankfurt, Geneva, Gibraltar, Glasgow, Hanoi, Harbin, Havana, Helsinki, Hong Kong, Houston, Indianapolis, Istanbul, Jakarta, Jerusalem, Johannesburg, London, Lyons, Manila, Mexico City, Moscow, Mumbai, New York, Ottawa, Paris, Perth, Port of Spain, Prague, Rome, Santiago, Sao Paulo, Seoul, Singapore, Stockholm, Taipei, Tehran, Tokyo, Toronto, Vancouver, Warsaw, Wellington, Zurich.

El-Shams Pyramids Company for Hotels and Touristic Projects, S.A.E. US\$22,000,000 for the Construction of the Holiday Inn Pyramids Hotel, Gizeh, Egypt. Managed by American Express Bank International Group. Citicorp International Group. Co-Managed by Arab International Bank, European Arab Bank, AI-UBAF Group.